ANNUAL BUDGET OF

EMAKHAZENI LOCAL MUNICIPALITY

2013/2014 TO 2015/16 MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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Abbreviations and Acronyms

CFO	Chief Financial Officer
MM	Municipality Manager
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross domestic product
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
IDP	Integrated Development Strategy
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act
MIG	Muni*cipal Inf*rastructure Grant
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
OHS	Occupational Health and Safety
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
SALGA	South African Local Government Association
SDBIP	Service Delivery Budget Implementation Plan

PART 1 – ANNUAL BUDGET

1.1 Mayor's Report

STATE OF THE MUNICIPAL ADDRESS

Honorable Speaker
Honorable Executive Mayor's of different municipalities
Honorable members of the Mayoral Committee
Honorable Chief Whip of Council
Honorable Council
Acting Municipal Manager
Managers and officials present
Ward Committee Members
All Stakeholders and Sector Departments present
Business communities
Faith communities
Ladies and Gentleman
Comrades and Compatriots

I greet you all

Honorable Speaker

Once more another joyous celebration for Emakhazeni Local Municipality.

When we took this responsibility of leading Emakhazeni in 2011, we had declared everyday to be a celebration day and today we are once more confirming that Emakhazeni is a municipality of happiness.

Happy as we are today we want to take our hats off for the stalwart, a veteran, the first commander in chief, a people's hero and volunteer to the end Dr. Nelson Mandela

As we are all aware that this month is a very important month internationally. It is a month of Mandela. It is a month which we are all call upon to celebrate Mandela legacy

This year unlike the previous years we are celebrating Nelson Mandela who is not well. Our prayers are with him, it is through the legacy of Madiba will never die. Nelson Mandela is a leader we all love. Let's all continue to pray for him and lets all wish to be like him. He is a God's Servant.

As we wish to be like Mandela, we must soldier on with the RDP of the soul and mind. We must continue to change the old culture; we must be the real servant of the people. I know Honorable Speaker change is hard for everyone, "The only person who likes change is a wet baby." Truly change is one of the greatest attitude obstacles you will ever face.

Honorable Speaker, people resist change because of personal loss, and it is true that there is loss even in positive changes.

If we want to be real servant of the people, we must begin to take responsibility for our action, we need to be accountable, and discipline will be a cherry on top.
Let's do it for Mandela, let's love our people and our work. Our last financial year theme was creating jobs true infrastructure projects. We want to report to our constituency today that we were able to fulfill our commitment through infrastructure development we created jobs,

MEGA PROJECTS 2013/2013 AND 2013/2014

Project Name	**Location**	**Budget**	**Comments**
Boarding School	Whole Emakhazeni area	R250 Million	Will benefit the all the wards especially the farming community. The contractor is on site.
Family Units Phase 2 Emthonjeni	Emthonjeni/Entokozweni	R118 Million	Contractor is on site
Breaking New Ground Project (Extension 6 and 8)	Whole Emakhazeni area	R600 Million	Off-site infrastructure has been commenced with.
Educational Facility (Crèche)	Siyathuthuka		Contractor has been appointed by Department of Human Settlement
Community Hall	Siyathuthuka		Contractor has been appointed by Department of Human Settlement
High Altitude Training Centre	Whole Mpumalanga Province		Studies have been concluded and designs have been made. Application for road alignment has been approved. A quotation has been received from Eskom for electricity upgrade and awaits the Department of Sports and Recreation to pay
Urban Renewal Project	Emgwenya	R5.26 Billion over 8 years	A Public Private Partnership was signed with WB NOKA Development Consortium on 30 May 2013. The municipality awaits furnishing of security by Bidvest Bank.

JOBS CREATED THROUGH INFRASTRUCTURAL PROJECTS 2012/2013 FINANCIAL YEAR

PROJECT NAME	FEMALES	FEMALE YOUTH	MALES	MALE YOUTH	YOUTH	DISABLE	JOBS CREATED
Installation of engineering services in Emgwenya	2	2	4	3	5	NONE	6
Installation of engineering services in Sakhelwe	4	3	6	4	7	NONE	10
Paving of roads in Sakhelwe OR Tambo	6	5	7	7	12	NONE	13
Paving of roads in Emthonjeni Gwebu street	5	4	4	3	7	NONE	9
Potable water feed	NONE	NONE	5	2	2	NONE	5
Construction of roads and storm water drainage	2	1	12	7	8	NONE	14
Installation of electrical infrastructure	7	4	8	7	11	NONE	15
Installation of water and sewer reticulation	4	4	10	5	9	NONE	14
Upgrading of water raising main	2	2	1	1	3	NONE	3
Installation of electricity meters in Emgwenya	3	3	4	3	6	NONE	7
Installation of electricity meters in Siyathuthuka	5	4	3	3	7	NONE	8
Finalise outstanding engineering services in Sakhelwe	5	4	7	5	9	NONE	12
Upgrading of Dullstroom WWTP	1	1	8	5	6	NONE	9
Upgrading of electrical medium voltage	1	1	5	5	6	NONE	6
Widening of Bhekumuzi Masango						NONE	19
Community hall in	13		15			NONE	28

Siyathuthuka							
High Altitude						NONE	12
Paving of roads in Emthonjeni by Nkomati mine	5		5			NONE	10
Glisa pump station	4	3	5	3	6	NONE	9
Electrification of Paardeplaas and Madala			12			NONE	12
Water supply in rural areas phase 4	12	9	15	11	20	NONE	27
TOTAL	81	50	136	74	124	NONE	248

NUMBER OF JOB OPPORTUNITIES CREATED THROUGH EPWP

COGTA YOUTH WASTE MANAGEMENT FOR 2012/2013 FINANCIAL YEAR

AREA	GENDER		BENEFICIARIES			
LOCATION	FEMALE	MALE	DISABILITY	Number OF BENEFICIARIES	BENEFICIARIES CURRENTLY IN THE PROJECT	NUMBER OF BENEFICIARIES RESIGNED PER UNIT
EMTHONJENI	5	6	NONE	11	10	1
EMGWENYA	5	3	1	8	7	1
SIYATHUTHUKA	9	7	NONE	16	16	0
SAKHELWE	2	3	NONE	5	4	1
TOTAL NUMBER OF BENEFICIARIES				**40**	**37**	**3**

EMAKHAZENI LOCAL MUNICIPALITY'S (INCENTIVE GRANT) YOUTH WASTE MANAGEMENT FOR THE FINANCIAL YEAR 2012/2013

AREA	GENDER		BENEFIACIRIES			
LOCATION	FEMALE	MALE	DISABILITY	Number OF ICIARIES	BENEFICIARIES CURRENTLY IN THE PROJECT	Number OF BENEFICIARIES RESIGNED PER UNIT
EMTHONJENI	5	5	NONE	10	10	0
EMGWENYA	5	4	NONE	9	9	0
SIYATHUTHUKA	10	6	NONE	16	16	0
SAKHELWE	4	1	NONE	5	5	0

TOTAL NUMBER OF BENEFICIARIES	**40**	**40**	0

- The municipality appointed eight (08) Masakhane field workers to assist the municipality on the revenue enhancement project , they are recruited from all wards of the Municipality, the project is still ongoing and their contract shall be renewed by another three months , starting from the 1st July 2013.
- The municipality appointed a data capture Mr. Prince Madalane, his function includes amongst others the compilation of reports and co-ordination of data for the EPWP office.
- The municipality appointed Mr. W Mokwena as a public participation field worker from the EPWP grant.

Total number of jobs created : 800

Total number of claims settled in Emakhazeni during 2012/13

Beneficiaries	House holds	Female headed house hold	Hectors restored	Amount spent on land acquisition	Financial Compensation
4792	1774	702	8 162.6328	R 55 295 454.56	R 19 453 478.00

Farms that the department acquired in Emakhazeni for agricultural purposes are;

1. Portion 0 of the farm Weltevreden 491 JT
2. Portion 8 of the farm Schoenspruit 340 JT,
3. portion 0 and 01 (R/E) of the farm Roodekrans 133 JT measuring 532,4089 and 217,8767 respectively ,
4. Portion 0 of the farm Doorenhoek 324 JT, measuring 574, 1119 Ha. and the total extent of all properties is 1324.3975 hectare
5. Schoengezicht 385 JT in Entokozweni
6. Paardeplaats in Belfast
7. Potion 0 and 1 of the farm Roodekrans 133 JT in Dullstroom
8. Mineral in Siyathuthuka
9. Potion 2 and 3 of the farm Button 576 JT in Entokozweni area
10. Potion 6 and 12 of the farm Volgestruispoort Maxdeals 384 JT
11. Potion 9 and 16 of the farm Houtboschfontein 335 JT (This is the farm that was donated by the owner to the Hadebe Family and the Municipality waved the clearance amount which was owed to the municipality
12. Reminder of the farm Donkerhoek
13. Potion 1 and 6 of the farm Rietfontein 365 JT
14. Potion 4 of the farm De Goedehoop 362 JT
15. Potion 13 and 23 of the farm Waaikraal 385 JT

16. Doornkop (Siyaphambili projects)

Farms that have been purchased for the purpose of Human Settlements are;

1. Portion 3 of the farm Doorenhoek 344 JT in Emgwenya
2. Portion 8 & 11 of the farm Tweefontein 357 JT in Belfast
3. Portion 8, 10,11 & 36 of the farm Rietfontein 365 JT in Entokozweni/ Emthonjeni
4. Portion 61 of the Farm Geluk 348 JT
5. Portion 18 of the Farm Wonderfontein 428 JS in Wonderfontein (Agri village with 50 sites)

Townships that the Municipality is busy establishing are;

1. Enkanini in Emthonjeni
2. Madala in Belfast
3. Siyathuthuka Extension 7, 9,10 and 11
4. Extension 2 phase 2 Sakhelwe with 200 sites

Skills development is a key to individual and national freedom. We have skilled 44 Officials in the following skills program:

- Examiner of Driving Licence
- Waste water and water treatment course
- Fire and Rescue
- Apprenticeship programme
- Municipal finance management
- Municipal Governance

If we are to end poverty, unemployment and inequalities, education becomes the solution. I have received tips for my address from young people who emphasise the issue of education. In fact education is one investment that never runs dry. We will continue together with our social partners to prioritise education in our programmes.

We want to give special thanks to Assmang Chrome, Shanduka Coal, and STHA for investing to our youth by supporting them in furthering their studies.

Name of institution	**Number of Students**
Assmang Chrome	23
Steve Tshwete Housing Association	6
Shanduka Coal	3

Putting your money into education is an investment you will never regret. Please continue to support us on education programme by building an educate society.

Honorable Speaker, Ladies and Gentleman

An oppressed mind conditions people to be unproductive and laziness becomes a lifestyle. I want to appeal to our youth to unchain themselves from self imprisonment. They must make education fashionable so as to navigate their better future.

We can't keep on blaming government for everything.

Education is central for Economic Development for our Economy to grow fast we need to invest more on education.

Honorable Speaker, we must vigorously transform our Local Economy. As we do that we need to invest more locally.

The previous financial year has seen a local investment of about R 5 856 748.48 with the following contractors benefiting:

NAME OF CONTRACTOR	DESCRIPTION	AMOUNT
Magundwane Siyendani JV	Paving Emthonjeni Roads (Gwebu Street)	R 2 607 311.52
Esenkadi Services	Engineering Services (Sakhelwe)	R 312 676.69
Staplex Nulady's JV	Paving of Roads in Sakhelwe (Jerusalem)	R 2 621 881.33
Machokamagu JV	Engineering Services (Emgwenya Phase 2)	R 314 878.94

We urge our local contractors to grow and be self sustainable, making correct investments. Because if you don't make proper investments, you will end up being a leader of a crisis committee. Ngoba imali ungayijwayela uma ungasayitholi kuba yinkinga, thus we see the mushrooming of concerns groups.

You can't be a business man and end by being a concern group leader. It's better to start as a concern member and end as a business man.

We also urge our social partners to support our local businesses. Let's all put efforts in developing our SMME's, if we are to built a better Emakhazeni lets all make sure that our economy is circulating around Emakhazeni.

Honorable Speaker, we must also unite the community of Emakhazeni and wage a strong war against drug and alcohol abuse.

Our youth get destroyed because of this evil spirit with drugs, we have seen our community turning against each other while the master is enjoying somewhere. The master takes his/her kids to expensive schools with the drugs money while our community gets destroyed. Working together with honest police let's stop the distribution factory because dealing with the smokers and leave the distributers will not take us anywhere.

Let's mobilize our youth to Sports, Arts and Culture working together with the Sports Council and our social partners we will revive Sports, Arts and Culture. We will also be working with our schools in achieving this. We have community halls in all our units except Sakhelwe, which is a priority for us. We

therefore want to ask Arts and Culture Council to utilize community halls which are underutilised. The Sports Council must also make sure that our Sports facilities are well used. Through Sports, Arts and Culture we can build united communities and healthy society.

Youth development is central in our agenda hence all our programme will seek to achieve youth empowerment.

Honorable Speaker, our municipality is a very low grade municipality with large space of servicing. It is also a municipality with a low revenue base but with a lot of potential.

Honorable Speaker, our current state on access to basic services:

Total number of households	**Water**		**Sanitation**		**Electricity**	
13 721	13 080	95%	12 827	93.5%	11 474	83.6%

We have just completed the drilling of 8 which supply 76 boreholes for Households in farm communities only.

We have only 403 households that are still without water and for the current financial year we will be installing water to 258 households.

Electricity

Out of 55 houses targeted in Madala Old Location we have just electrified 13 houses and we will in this current financial year electrify 42 houses in Madala.

We have concluded the 21 houses targeted for Paardeplaats Farm.

125 RDP's in Emthonjeni was our target for the past financial year and we were only able to electrify 72 households.

In this financial year we will be electrifying 53 RDP houses and 250 households in Enkanini.

For the farm communities Eskom will be doing line planning for all the farms.

Sanitation

We have the following areas that needs sewer reticulation network and that is:

- Emthonjeni Extension 4
- Enkanini
- Sakhelwe Extension 2 phase 2

- Madala Old Location

Our roads condition is very bad, lots of potholes and in fact they have exhausted their life span. We have planned to gravel and patch 10 000 m² potholes.

The anchor projects highlighted in the previous SOMA remains our economic backbone.

The PPP for Emgwenya Urban Renewal has been signed hence the race has started. It is through this project that a new Emgwenya should be born. We want to see a new Emgwenya in totality with its people full of love and peace.

Extension six has started, there is a serious hype created on side. We hope to build our own new town with all amities before settling people. The contractor for roads is on course, the contractor for electricity is also on course, the contractor to build a community hall and a crèche will be on side soon, so let's be on the move together to build a small city.

The Boarding School is half way towards completion and that boarding school belongs to Emakhazeni but it is a Regional Boarding School. The myopic and opportunistic utterances that the boarding school was moved from one area to another are very unfortunate and directionless.

They lack substance and developmental research. We will not succumb to unprogressive policies of the past; we are leaders of a democratic government not of a Bantustan.

Our farm children should be ready to get the best education in a conducive environment with committed and hardworking teachers who love their country.

Phase two of the family units has started and those who get opportunity in our growing economy should not struggle with accommodation.

Emakhazeni Ke Nako.....

We have also concluded our agreements with the Highlands Gate Golf Estates so the project has new developers now and let's work together for its realisation.

Today we will be opening this hall officially; which we have spent R 5, 11 million. We will also be launching 3 streets which we have paved and tarred to the value of R 8.4 million.

Everything is on course with the High Altitude Training Center. The first phase will commence in August 2013 and this project is one project that will make Emakhazeni to be an international space, as far as sport is concern."God is with us".

Honorable Speaker, when God gives you a seed, he does not want that seed back. He wants a forest, he wants us to plant and grow that seed with the ability He gives us. When God give us something it

always contains more than is apparent. His seeds have the potential to be more than what initially appears. He gives us his seeds of potential with the idea of the end product in it, and it is the end product not the seed that God wants back. Our people must be free from poverty, unemployment and inequality.

Our budget for the end product which God wants for this financial year is:

A. Capital Budget Summary

A summary of the proposed capital budget is set as follows:

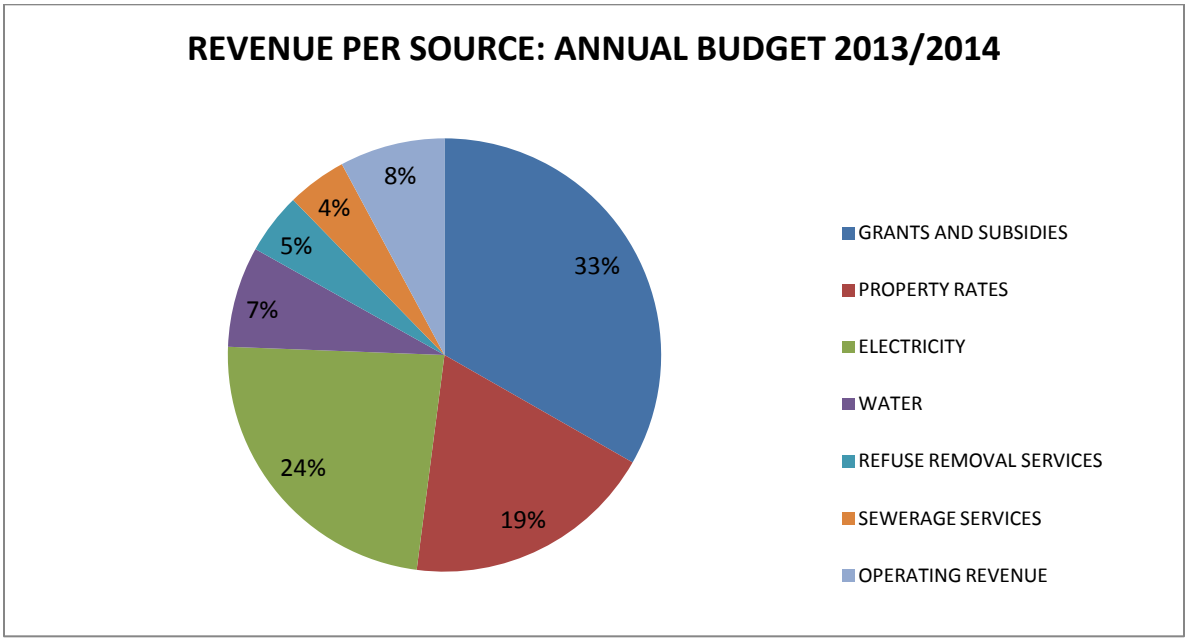
Source of Funding	Budget Current	Budget 2013/2014	Budget 2014/2015	Budget 2015/2016
MIG	R 15,929,000.00	R 16,322,000.00	17,242,000.00	18,213,000.00
Nkangala	R 10,930,000.00	R 12,136,000.00	R 12,165,300.00	R 12,457,267.00
Internally funded	R 2,432,690.00	R 907,383.00	R 952,752.00	R 1,000,390.00
TOTAL	**R 29,291,690.00**	**R 29,365,383.00**	**R 30,360,052.00**	**R 31,670,565.00**

B. Operating Revenue Framework

i) Total budgeted revenue

Description	Audited Financial Statement 2011/2012	Original Budget 2012/2013	Adjustment Budget 2012/2013	Budget 2013/2014	% of Budget 2013/14	Forecast 2014/2015	Forecast 2015/2016
GRANTS AND SUBSIDIES	**42 865 214**	**54 877 000**	**55 257 000**	**58 297 000**	**33%**	**62 232 000**	**69 448 000**
EQUITABLE SHARE	30 505 638	33 750 000	33 750 000	36 151 000	21%	39 489 000	45 446 000
EQUIT SHARE (COUNCIL SUBSIDY)	1 056 000	1 898 000	1 898 000	2 384 000	1%	2 767 000	2 872 000
GRANT: MIG	8 515 158	15 929 000	15 929 000	16 322 000	9%	17 242 000	18 213 000
GRANT: MSIG	790 000	800 000	800 000	890 000	1%	934 000	967 000
GRANT: FINANCIAL MANAGEMENT	1 250 000	1 500 000	1 500 000	1 550 000	1%	1 800 000	1 950 000
GRANT: DCSR LIBRARIES	15 418	0	0	0	0%	0	0
GRANT: EPWP	391 000	1 000 000	1 000 000	1 000 000	1%	0	0
GRANT: INEP (MUNICIPAL)	342 000	0	0	0	0%	0	0
GRANT: MIG ROLLOVER	0	0	380 000	0	0%	0	0
PROPERTY RATES	**20 438 543**	**25 994 372**	**30 494 372**	**32 933 922**	**19%**	**34 580 618**	**36 309 649**
ELECTRICITY	**30 553 363**	**37 989 459**	**38 589 459**	**41 290 721**	**24%**	**43 355 257**	**45 523 020**
PREPAID ELECTRICITY	14 105 845	18 156 203	18 156 203	19 427 137	11%	20 398 494	21 418 419
SALE OF ELECTRICITY	11 877 740	15 000 000	15 600 000	16 692 000	10%	17 526 600	18 402 930
BASIC ELECTRICITY	4 569 779	4 833 256	4 833 256	5 171 584	3%	5 430 163	5 701 671
WATER	**11 199 710**	**11 076 799**	**11 876 799**	**13 183 247**	**8%**	**13 842 409**	**14 534 530**
SALE OF WATER	6 407 283	5 077 013	5 877 013	6 523 484	4%	6 849 659	7 192 142
BASIC WATER	4 792 426	5 999 786	5 999 786	6 659 762	4%	6 992 751	7 342 388
REFUSE REMOVAL SERVICES	6 783 362	6 013 211	7 213 211	8 006 664	5%	8 406 997	8 827 347
SEWERAGE SERVICES	6 494 537	7 031 435	7 031 435	7 804 893	4%	8 195 137	8 604 894
OPERATING REVENUE	**13 518 550**	**20 127 988**	**13 551 629**	**13 763 342**	**8%**	**14 451 510**	**15 174 085**
RENT OF FACILITIES AND EQUIPMENT	769 740	660 917	600 917	573 943	0%	602 640	632 772
INTREST EARNED EXTERNAL INVESTMENT	104 459	35 868	362 868	381 011	0%	400 062	420 065
FINES	444 826	601 850	601 850	601 054	0%	631 106	662 661
LICENCE AND PERMITS	352 165	300 080	350 080	399 560	0%	419 538	440 515
INCOME FOR AGENCY SERVICES	1 084 080	1 130 200	1 140 200	1 109 000	1%	1 164 450	1 222 673
OTHER REVENUE	10 763 280	17 399 073	10 495 714	10 698 774	6%	11 233 713	11 795 399
TOTAL OPERATING REVENUE GENERATED	**131 853 279**	**163 110 264**	**164 013 905**	**175 279 789**	**100%**	**185 063 929**	**198 421 526**
LESS REVENUE FOREGONE	2 149 353	5 389 303	2 600 000	1 830 000		1 921 500	2 017 575
TOTAL DIRECT OPERATING REVENUE	**129 703 927**	**157 720 961**	**161 413 905**	**173 449 789**		**183 142 429**	**196 403 951**

The following graph represents the percentage of the proposed budget per revenue source



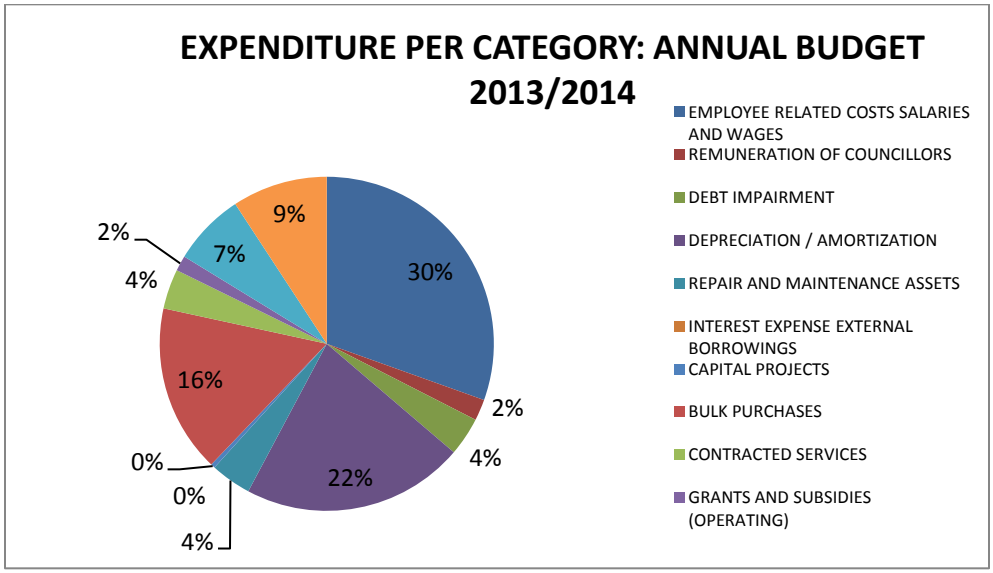
ii) Grants and Subsidies

GRANT NAME	Original Budget 2012/2013	Adjustment Budget 2012/2013	Budget 2013/2014	Forecast 2014/2015	Forecast 2015/2016
EQUITABLE SHARE	R 35,648,000	R 35,648,000	R 38,535,000	R 42,256,000	R 48,318,000
MUNICIPAL INFRUSTRUCTURE GRANT	R 15,929,000	R 16,309,000	R 16,322,000	R 17,242,000	R 18,213,000
MUNICIPAL SYSTEMS IMPROVEMENT GRANT	R 800,000	R 800,000	R 890,000	R 934,000	R 967,000
FINANCIAL MANEGEMENT GRANT	R 1,500,000	R 1,500,000	R 1,550,000	R 1,800,000	R 1,950,000
PUBLIC WORKS PROGRAMME INCENTIVE GRANT	R 1,000,000	R 1,000,000	R 1,000,000	R 0	R 0
TOTAL	**R 54,877,000**	**R 55,257,000**	**R 58,297,000**	**R 62,232,000**	**R 69,448,000**

C. Total Budgeted Expenditure

Description	Audited Financial Statement 2011/2012	Original Budget 2012/2013	Adjustment Budget 2012/2013	Budget 2013/2014	% of Budget 2013/14	Forecast 2014/2015	Forecast 2015/2016
EMPLOYEE RELATED COSTS SALARIES AND WAGES	50 101 336	62 067 616	61 958 566	70 712 997	30%	74 248 647	77 961 079
REMUNERATION OF COUNCILLORS	4 256 473	4 321 681	4 480 033	4 753 851	2%	4 991 544	5 241 121
DEBT IMPAIRMENT	8 110 426	2 355 402	8 500 000	8 670 000	4%	9 103 500	9 558 675
DEPRECIATION / AMORTIZATION	48 036 809	2 915 119	49 000 000	49 980 000	22%	52 479 000	55 102 950
REPAIR AND MAINTENANCE ASSETS	10 664 849	8 950 689	8 574 257	9 223 800	4%	9 684 990	10 169 239
INTEREST EXPENSE EXTERNAL BORROWINGS	41 843	619 244	0	0	0%	0	0
CAPITAL PROJECTS	0	1 652 921	2 432 690	907 383	0%	952 752	1 000 390
BULK PURCHASES	29 844 270	35 161 937	35 161 937	37 728 758	16%	39 615 196	41 595 956
CONTRACTED SERVICES	8 769 752	8 383 228	9 083 228	8 948 168	4%	9 395 576	9 865 355
GRANTS AND SUBSIDIES (OPERATING)	2 040 000	2 300 000	2 300 000	3 440 000	1%	2 734 000	2 917 000
GRANTS AND SUBSIDIES (CAPITAL)	1 322 657	16 929 000	17 309 000	16 322 000	7%	17 242 000	18 213 000
GENERAL EXPENSES OTHER	18 551 591	22 723 947	20 114 194	21 412 832	9%	22 483 474	23 607 647
LOSS ON SALE OF ASSETS	0	0	0	0	0%	0	0
TOTAL OPERATING EXPENDITURE	**181 740 006**	**168 380 784**	**218 913 905**	**232 099 789**	**100%**	**242 930 679**	**255 232 412**
OPERATING SURPLUS/(DEFICIT)	-52 036 079	-10 659 822	-57 500 000	-58 650 000		-59 788 250	-58 828 463

The following graph represents the percentage of the proposed budget of expenditure per category:



This might look very little but on it, God expect more. All we need is to be strong and have a good courage. Let's manage the little resource we have well.

When we ask ourselves a million dollar questions "Why God chose us for such huge responsibility with such a small budget?"
The answer should always be for us to remember that God is the Master Architect and Master Builder, he never gets confused about what is planned or how it is to be build. When he built us, he built us for maximum efficiency and optimal performance.

So Honorable Speaker,

I now present the Budget and the plans to the people of Emakhazeni as it is their budget and plans.

I Submit

Thank you very much

1.2 Council Resolution

EMAKHAZENI LOCAL MUNICIPALITY

EXTRACT FROM MINUTES OF THE SPECIAL COUNCIL MEETING HELD ON THE 27 JUNE 2013 IN THE COUNCIL CHAMBER, EMAKHAZENI AT 17:30.

26/06/2013 **BUDGET: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR 2013/2014, 2014/2015 AND 2015/2016 FINANCIAL YEARS**

Resolved that;

1. The Medium Term Revenue and Expenditure Framework for 2013/14 – 2014/16 is approved with all budget tables A1 to A10.
2. The Medium Term Revenue and Expenditure Framework for 2013/2014 – 2015/2016 and all supporting documents and / tables SA1 to SA37 are approved and the Accounting Officer should submit to Provincial and National Treasuries and other relevant departments by the 12th July 2013.
3. The budget request for new personnel is approved.
4. The capital projects are approved.
5. The tariff of 7% for electricity as guided by Nersa is approved.
6. The following tariffs are approved;

Assessment Rates:	8%
Electricity:	7 %
Sewerage:	11 %
Water (Consumption):	11 %
Water (Basic Charge):	11%
Cleansing:	11 %
Other income:	11%

7. The 6.84% salary increase is approved.
8. The budget deficit with regards to non-cash items is approved.
9. It is noted that all issues raised have been considered for the Medium Term Revenue and Expenditure Framework for 2012/2013 – 2014/2015.
10. The Accounting Officer should submit draft SDBIP's for the 2013/2014 financial year to the Executive Mayor within 14 days after the approval of the annual budget.
11. The Executive Mayor should approve the SDBIP's within 28 days after the approval of the annual budget.
12. The Executive Mayor should ensure that the submitted performance agreements complies with the MFMA to ensure sound financial management, and that they are linked to the operational plans and SDBIP's and concluded in accordance with section 57(2) of the Municipal Systems Act, as amended.
13. The Accounting Officer should submit monthly budget statements and SDBIP reports to the Executive Mayor within 10 working days after the end of each month as stipulated in the new Municipal Budget Regulation and Reporting.
14. The Accounting Officer should publish the approved budget with all budget tables, A1 to A10 and supporting tables SA1 to SA37 in the municipal website.

CERTIFIED CORRECT.....**DATE**.28/06/2013
SPEAKER

1.3 Executive Summary

DRAFT BUDGET: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR 2013/14 , 2014/2015 AND 2015/2016 FINANCIAL YEARS

REPORT OF THE ACTING CHIEF FINANCIAL OFFICER

BACKGROUND

Section 16 of the Municipal Finance Management Act (MFMA) requires that the municipality must for each financial year approve an annual budget before the start of the financial year.
The format and contents of the budget are prescribed by sections 16 to 27 of the MFMA as well the new budget and reporting regulation issued by National Treasury.

The MFMA refers to funding of expenditure and states:

a. An annual budget may only be funded from:
- realistically anticipated revenues to be collected
- cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
- Borrowed funds; but only for the capital budget referred to in section 17(2).

b. Revenue projections in the budget must be realistic, taking into account:
- projected revenue for the current year based on collection levels to date; and
- Actual revenue collected in previous financial years."

c. Circular 66 and 67 issued by National Treasury provide further guidance for the preparation of 2013/2014 MTREF.

These circulars further guide on the issues in the *Local Government Budgets and Expenditure Review 2011* whereby municipalities need to pay attention to.

The *Review* highlights the following areas as requiring particular attention by municipalities:

- *Revenue management* – To ensure the collection of revenues, municipalities need to ensure that billing systems are accurate, send out accounts to residents and follow up to collect revenues owed. Municipalities are urged to take note of MFMA Circular No. 64 - Revenue Management, in the preparation of the 2013/14 budgets and MTREF's. The Circular can be accessed at:

- *Collecting outstanding debts* – This requires political commitment, sufficient administrative capacity, and pricing policies that ensure that bills are accurate and affordable.
- *Pricing services correctly* – The full cost of services should be reflected in the price charged to residents who can afford to pay. Many municipalities offer overly generous subsidies and rebates

that result in services being run at a loss, resulting in funds being diverted away from other priorities.

- *Underspending on repairs and maintenance* – Often seen as a way to reduce spending in the short term, underspending on maintenance can shorten the life of assets, increase long-term maintenance and refurbishment costs, and cause a deterioration in the reliability of services.
- *Spending on non-priorities* – Many municipalities spend significant amounts on non-priority items including unnecessary travel, luxury furnishings, excessive catering and unwarranted public relations projects. Consultants are often used to perform routine tasks. Considering the pressurised economic climate continued spending on non-priority wants cannot be sustained.

National priority – Expanding public sector investment in infrastructure

The key priorities in the local government and housing function are the provision of basic services such as water and sanitation, human settlements development and local government infrastructure.

In addition, creating decent employment opportunities remains a national priority. all municipalities are urged to continue to explore opportunities to mainstream labour intensive approaches to delivering services, and more particularly to participate fully in the Expanded Public Works Programme. In this regard the Expanded Public Works Programme Grant (EPWP) has been reconfigured in the 2012/13 financial year to be a schedule 6 grant.

Municipalities should not just employ more people without any reference to the level of staffing required to deliver effective services, remuneration increases associated with bargaining council decisions and what is financially sustainable over the medium term. The municipality ought to focus on maximizing its contribution to job creation by:

- Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate;
- Ensuring that service providers use labour intensive approaches;
- Supporting labour intensive LED projects;
- Participating fully in the Expanded Public Works Programme; and
- Implementing interns programmes to provide young people with on-the-job training.

Municipalities also play a critical role in creating an enabling environment for investments and other activities that lead to job creation. It is important for municipalities to pay particular attention to:

- Ensuring the timely delivery of their capital programmes (eliminate under-spending of capital budgets) and to review all by-laws and development approval processes with a view to removing any regulatory bottlenecks to investment and job creation; and

- Act as a catalyst for local economic development by appropriately structuring capital programmes to address backlog eradication, asset renewal and development of new infrastructure; this will require carefully formulating the funding mix of the capital programme to include grants, borrowing and own funding (internally generated fundin

D. Revising rates, tariffs and other charges

National Treasury guides that When municipalities revise their rates, tariffs and other charges for their 2013/14 budgets and MTREF, they need to take into account the labour (i.e. the wage agreements with unions) and other input costs of services provided by the municipality or entity, the need to ensure financial sustainability, local economic conditions and the affordability of services, taking into consideration the municipality's indigent policy.

Treasury has also noted that municipalities are increasingly under recovering the cost associated with trading services i.e. electricity, water, waste management and waste water management and this position is further exacerbated by the fact that no consideration is given to overhead costing and the influence on the total cost of providing the service. This in turn impacts on tariff setting and in many instances municipalities are cross subsidising a trading service from property rates revenue; a totally defective approach to pricing and tariff setting of municipal trading services.

Hence the municipality is in a process of restructuring the tariffs to ensure that they are cost reflective and this will be finalised and included in the final budget after it is communicated to the community through public participation. It must also be noted that tariffs may only be implemented from the start of the financial year.

E. Funding choices and management issues

The municipality is once again reminded that given on-going economic pressures, the revenue side of municipal budgets will continue to be constrained, so it will again need to make some very tough decisions on the expenditure side this year. Priority still needs to be given to:

- Ensuring that drinking water and waste water management meets the required quality standards at all times;
- Protecting the poor;
- Supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation;
- Securing the health of their asset base (especially the municipality's revenue generating assets) by increasing spending on repairs and maintenance;
- Expediting spending on capital projects that are funded by conditional grants; and

- Ensuring that borrowed funds are invested in revenue generating assets as part of the capital programme.

F. Headline inflation forecasts.

Fiscal year	**2010/11 2011/12 Actual**		**2012/13 Estimate**	**2013/14 Forecast**	**2014/15 Forecast**	**2015/16 Forecast**
Real GDP growth	3.4	3.1	2.5	3.0	3.6	3.8
CPI Inflation	3.8 %	5.6%	5.6%	5.6%	5.4%	5.4%

Source: Budget Review 2013

G. Employee related costs

SALGA and the trade unions (IMATU and SAMWU), in implementing and applying the multi-year salary and Wage Collective Agreement, dated 27 July 2012, has agreed as follows:

i. The salary increase, in terms of clause 6.2 of the collective agreement shall be six comma eight four percent (6.84%) with effect from the 1 July 2013.

ii. Any benefit or conditions of services as stipulated in clause 6.6 of the collective agreement shall increase by the same rate of 6.84%.

iii. The minimum wage as stipulated in clause 7.3 of the collective agreement shall increase by the same rate of 6.84%.The New minimum wage shall be five thousand two hundred and sixty four rand comma Zero one cent (R 5 264.01) with effect from 1 July 2013.

iv. In respect of the Medical aid subsidy, the maximum employer contribution to an employee's accredited medical scheme shall, in line with clause 8.1.2 of the collective agreement, be increased by 3.42% to three thousand five hundred and fifty seven rand comma sixty five cents(R 3 557.65), with effect from 1 July 2013.

The municipality has also make provision for the new personnel amounting to R 3,101,129.00 as means to respond to other service delivery priority issues.

H. Proposed Tariff increases 2013/14

After consideration of all comments that were raised through public participation the following tariffs are recommended for final approval:

Assessment Rates:	8%
Electricity:	7%
Sewerage:	11 %
Water (Consumption):	11 %
Water (Basic Charge):	11 %
Cleansing:	11%
Other income:	11 %

The average increase of tariffs will thus be 10%. The 11% increase on consumption of water is due to its scarcity of water and the high increase of costs for maintaining water and waste water purification plants. The municipality also strives at encouraging the community to preserve water as it is a scarce natural resource. After considering all issues assessment rates were reviewed and will be increased by 8%.
The National Energy Regulator of South Africa (NERSA) has approved a tariff guideline increase for municipalities as follows:

A guideline increase of 7.0 per cent, which is based on the following assumptions:

i. bulk purchases increase of 7.3 per cent in line with Eskom electricity tariff increase to municipalities;
ii. a consumer price index (CPI) of 5.5 per cent;
iii. salary and wage increases of CPI plus 1.25 per cent, as indicated in the Salary and Wage Collective Agreement; and
iv. repairs and maintenance, capital charges and other inflation related cost increases.

All documentation related to the guideline determination are available on the NERSA website (http://www.nersa.org.za/).

When determining the tariff increase the municipality did not align the increase with the current CPI however it has taken into consideration its unique circumstances as follows:

- The cost of rendering services, repairs and maintenance of dilapidating infrastructure and renewal backlogs that exist in relation to municipal, infrastructure particularly, municipalities'

electricity, water reticulation, sewage and storm water and roads systems. All these repairs & maintenance infrastructure needs regular and timeous response by the municipality.

- The municipality also took into account the labour and other input costs of services provided by the municipality.
- The need to ensure financial sustainability, local economic conditions and the affordability of services, taking into consideration the municipality's indigent policy

It is noted that these backlogs are impacting negatively on the financial sustainability of the municipality and on the reliability and quality of municipal services, as well as municipalities' contribution to supporting economic growth.
Therefore the tariffs will increase with effect from 01 July 2013 as indicated above once approved by the council.

I. Debt Impairment

A provision for debt impairment is made for 2013/14 to the amount of R 8,670,000.00. This forms one of the non-cash items and was informed by outstanding debtors amounting R 96 421 421.00 and the audited performance for 2011/2012.

J. Capital Budget Summary

A summary of the proposed capital budget is set as follows:

Source of Funding	Budget Current	Budget 2013/2014	Budget 2014/2015	Budget 2015/2016
MIG	R 15,929,000.00	R 16,322,000.00	17,242,000.00	18,213,000.00
Nkangala	R 10,930,000.00	R 12,136,000.00	R 12,165,300.00	R 12,457,267.00
Internally funded	R 2,432,690.00	R 907,383.00	R 952,752.00	R 1,000,390.00
TOTAL	**R 29,291,690.00**	**R 29,365,383.00**	**R 30,360,052.00**	**R 31,670,565.00**

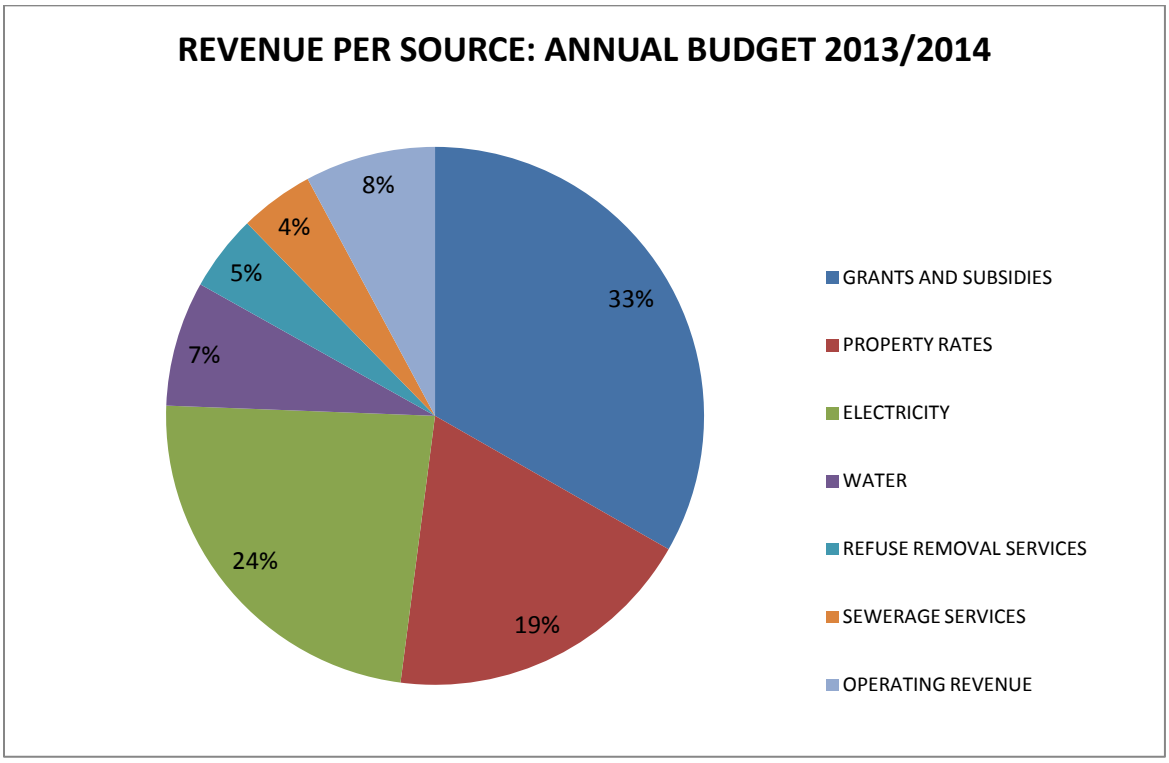
A detailed project list is attached with the budget documentation. It must be noted that only capital projects which funding has been secured may be included in the capital budget.

K. Operating Revenue Framework

iii) Total budgeted revenue

Description	Audited Financial Statement 2011/2012	Original Budget 2012/2013	Adjustment Budget 2012/2013	Budget 2013/2014	% of Budget 2013/14	Forecast 2014/2015	Forecast 2015/2016
GRANTS AND SUBSIDIES	**42 865 214**	**54 877 000**	**55 257 000**	**58 297 000**	**33%**	**62 232 000**	**69 448 000**
EQUITABLE SHARE	30 505 638	33 750 000	33 750 000	36 151 000	21%	39 489 000	45 446 000
EQUIT SHARE (COUNCIL SUBSIDY)	1 056 000	1 898 000	1 898 000	2 384 000	1%	2 767 000	2 872 000
GRANT: MIG	8 515 158	15 929 000	15 929 000	16 322 000	9%	17 242 000	18 213 000
GRANT: MSIG	790 000	800 000	800 000	890 000	1%	934 000	967 000
GRANT: FINANCIAL MANAGEMENT	1 250 000	1 500 000	1 500 000	1 550 000	1%	1 800 000	1 950 000
GRANT: DCSR LIBRARIES	15 418	0	0	0	0%	0	0
GRANT: EPWP	391 000	1 000 000	1 000 000	1 000 000	1%	0	0
GRANT: INEP (MUNICIPAL)	342 000	0	0	0	0%	0	0
GRANT: MIG ROLLOVER	0	0	380 000	0	0%	0	0
PROPERTY RATES	**20 438 543**	**25 994 372**	**30 494 372**	**32 933 922**	**19%**	**34 580 618**	**36 309 649**
ELECTRICITY	**30 553 363**	**37 989 459**	**38 589 459**	**41 290 721**	**24%**	**43 355 257**	**45 523 020**
PREPAID ELECTRICITY	14 105 845	18 156 203	18 156 203	19 427 137	11%	20 398 494	21 418 419
SALE OF ELECTRICITY	11 877 740	15 000 000	15 600 000	16 692 000	10%	17 526 600	18 402 930
BASIC ELECTRICITY	4 569 779	4 833 256	4 833 256	5 171 584	3%	5 430 163	5 701 671
WATER	**11 199 710**	**11 076 799**	**11 876 799**	**13 183 247**	**8%**	**13 842 409**	**14 534 530**
SALE OF WATER	6 407 283	5 077 013	5 877 013	6 523 484	4%	6 849 659	7 192 142
BASIC WATER	4 792 426	5 999 786	5 999 786	6 659 762	4%	6 992 751	7 342 388
REFUSE REMOVAL SERVICES	6 783 362	6 013 211	7 213 211	8 006 664	5%	8 406 997	8 827 347
SEWERAGE SERVICES	6 494 537	7 031 435	7 031 435	7 804 893	4%	8 195 137	8 604 894
OPERATING REVENUE	**13 518 550**	**20 127 988**	**13 551 629**	**13 763 342**	**8%**	**14 451 510**	**15 174 085**
RENT OF FACILITIES AND EQUIPMENT	769 740	660 917	600 917	573 943	0%	602 640	632 772
INTREST EARNED EXTERNAL INVESTMENT	104 459	35 868	362 868	381 011	0%	400 062	420 065
FINES	444 826	601 850	601 850	601 054	0%	631 106	662 661
LICENCE AND PERMITS	352 165	300 080	350 080	399 560	0%	419 538	440 515
INCOME FOR AGENCY SERVICES	1 084 080	1 130 200	1 140 200	1 109 000	1%	1 164 450	1 222 673
OTHER REVENUE	10 763 280	17 399 073	10 495 714	10 698 774	6%	11 233 713	11 795 399
TOTAL OPERATING REVENUE GENERATED	**131 853 279**	**163 110 264**	**164 013 905**	**175 279 789**	**100%**	**185 063 929**	**198 421 526**
LESS REVENUE FOREGONE	2 149 353	5 389 303	2 600 000	1 830 000		1 921 500	2 017 575
TOTAL DIRECT OPERATING REVENUE	**129 703 927**	**157 720 961**	**161 413 905**	**173 449 789**		**183 142 429**	**196 403 951**

The following graph represents the percentage of the proposed budget per revenue source



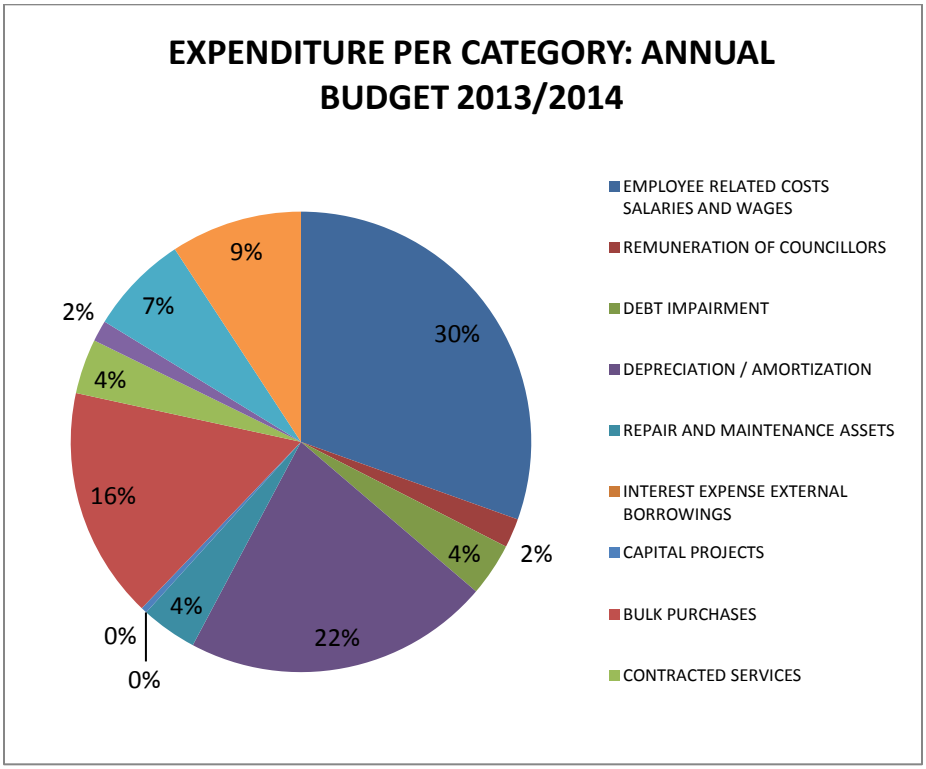
iv) Grants and Subsidies

GRANT NAME	Original Budget 2012/2013	Adjustment Budget 2012/2013	Budget 2013/2014	Forecast 2014/2015	Forecast 2015/2016
EQUITABLE SHARE	R 35,648,000	R 35,648,000	R 38,535,000	R 42,256,000	R 48,318,000
MUNICIPAL INFRUSTRUCTURE GRANT	R 15,929,000	R 16,309,000	R 16,322,000	R 17,242,000	R 18,213,000
MUNICIPAL SYSTEMS IMPROVEMENT GRANT	R 800,000	R 800,000	R 890,000	R 934,000	R 967,000
FINANCIAL MANEGEMENT GRANT	R 1,500,000	R 1,500,000	R 1,550,000	R 1,800,000	R 1,950,000
PUBLIC WORKS PROGRAMME INCENTIVE GRANT	R 1,000,000	R 1,000,000	R 1,000,000	R 0	R 0
TOTAL	**R 54,877,000**	**R 55,257,000**	**R 58,297,000**	**R 62,232,000**	**R 69,448,000**

L. Total Budgeted Expenditure

Description	Audited Financial Statement 2011/2012	Original Budget 2012/2013	Adjustment Budget 2012/2013	Budget 2013/2014	% of Budget 2013/14	Forecast 2014/2015	Forecast 2015/2016
EMPLOYEE RELATED COSTS SALARIES AND WAGES	50 101 336	62 067 616	61 958 566	70 712 997	30%	74 248 647	77 961 079
REMUNERATION OF COUNCILLORS	4 256 473	4 321 681	4 480 033	4 753 851	2%	4 991 544	5 241 121
DEBT IMPAIRMENT	8 110 426	2 355 402	8 500 000	8 670 000	4%	9 103 500	9 558 675
DEPRECIATION / AMORTIZATION	48 036 809	2 915 119	49 000 000	49 980 000	22%	52 479 000	55 102 950
REPAIR AND MAINTENANCE ASSETS	10 664 849	8 950 689	8 574 257	9 223 800	4%	9 684 990	10 169 239
INTEREST EXPENSE EXTERNAL BORROWINGS	41 843	619 244	0	0	0%	0	0
CAPITAL PROJECTS	0	1 652 921	2 432 690	907 383	0%	952 752	1 000 390
BULK PURCHASES	29 844 270	35 161 937	35 161 937	37 728 758	16%	39 615 196	41 595 956
CONTRACTED SERVICES	8 769 752	8 383 228	9 083 228	8 948 168	4%	9 395 576	9 865 355
GRANTS AND SUBSIDIES (OPERATING)	2 040 000	2 300 000	2 300 000	3 440 000	1%	2 734 000	2 917 000
GRANTS AND SUBSIDIES (CAPITAL)	1 322 657	16 929 000	17 309 000	16 322 000	7%	17 242 000	18 213 000
GENERAL EXPENSES OTHER	18 551 591	22 723 947	20 114 194	21 412 832	9%	22 483 474	23 607 647
LOSS ON SALE OF ASSETS	0	0	0	0	0%	0	0
TOTAL OPERATING EXPENDITURE	**181 740 006**	**168 380 784**	**218 913 905**	**232 099 789**	**100%**	**242 930 679**	**255 232 412**
OPERATING SURPLUS/(DEFICIT)	-52 036 079	-10 659 822	-57 500 000	-58 650 000		-59 788 250	-58 828 463

The following graph represents the percentage of the proposed budget of expenditure per category:



Budget Consultation Meetings

Budget Consultation meeting were held throughout all the wards in the month of April and May 2013. Furthermore a notice was issued that invites comments for community and all stakeholders after having perused the budget and supporting documentation available in all municipal offices and website.

Issues and or comments were received from members of community through public participation meetings held, Rate Payer Association, Emakhazeni Good Governance Forum, Provincial Treasury and National Treasury. All issues raised were considered by Council in a meeting held on the 30th May 2013, and all valid inputs were taken up into the final budget.

Conclusion

The MTREF for 2013/2014 – 2015/2016 has a deficit amounting to R 58,650,000.00 this is inclusive of non-cash items (depreciation and debt impairment) amounting to R 58,650,000.00.

Note must also be taken that National Treasury has issued an annexure to MFMA circular 67 dated 24th April 2013 that approves a 7% tariff increase for municipalities and 7.3% tariff increase for bulk purchases.

RECOMMENDATIONS BY THE ACTING CHIEF FINANCIAL OFFICER

1. **That** The draft Medium Term Revenue and Expenditure Framework for 2013/14 – 2014/16 be approved with all budget tables A1 to A10.
2. **That;** the council approves the draft Medium Term Revenue and Expenditure Framework for 2013/14 – 2015/16 and all supporting documents and / tables SA1 to SA37 and the Accounting Officer to submit to Provincial and National Treasuries and other relevant departments by the 12th July 2013.

3. **That** the proposed budget request for new personnel be approved.
4. **That** the proposed capital projects be approved.
5. **That** the proposed tariffs of 7% for electricity as guided by Nersa be discussed considered and approved.
6. **That** the following proposed tariffs be approved;

Assessment Rates:	8%
Electricity:	7 %
Sewerage:	11 %
Water (Consumption):	11 %
Water (Basic Charge):	11%
Cleansing:	11 %
Other income:	11%

7. **That** the 6.84% salary increase be approved.
8. **That** the budget deficit with regards to non-cash items be considered and approved.
9. **That** all issues raised have been considered the Medium Term Revenue and Expenditure Framework for 2012/2013 – 2014/2015 be approved before the start of the financial year.
10. **That** The Accounting Officer must to submit draft SDBIP's for the 2013/2014 financial year to the Executive Mayor within 14 days after the approval of the annual budget.
11. **That** The Executive Mayor approves the SDBIP's within 28 days after the approval of the annual budget.
12. **That** The Executive Mayor ensures that the submitted performance agreements complies with the MFMA to ensure sound financial management, are linked to the operational plans and SDBIP's and concluded in accordance with section 57(2) of the Municipal Systems Act, as amended.
13. **That** The Accounting Officer must submit monthly budget statements and SDBIP reports to the Executive Mayor within 10 working days after the end of each month as stipulated in the new Municipal Budget Regulation and Reporting.
14. **That** The Accounting Officer must publish the approved budget with all budget tables, A1 to A10 and supporting tables SA1 to SA37 in the municipal website.

RECOMMENDATIONS BY THE ACTING MUNICIPAL MANAGER

1. **That;** the recommendations by the acting CFO be accepted.

RECOMMENDATIONS BY THE EXECUTIVE MAYO

1.4 Operating Revenue Framework

MP314 Emakhazeni - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue &		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source											
Property rates	2	11,006	16,162	19,682	23,520	29,394	29,394	29,394	32,634	34,266	35,979
Property rates - penalties & collection charges											
Service charges - electricity reve	2	21,592	28,446	30,553	35,406	38,589	38,589	38,589	41,291	43,355	45,523
Service charges - water revenue	2	6,451	8,363	9,806	10,745	10,377	10,377	10,377	11,653	12,236	12,848
Service charges - sanitation reve	2	4,257	5,322	6,783	6,013	7,213	7,213	7,213	7,805	8,195	8,605
Service charges - refuse revenue	2	4,828	5,585	6,495	7,031	7,031	7,031	7,031	8,007	8,407	8,827
Service charges - other											
Rental of facilities and equipment		620	471	770	661	601	601	601	574	603	633
Interest earned - external investments		133	23	104	36	363	363	363	381	400	420
Interest earned - outstanding debtors		–	–	–	–	–	–	–			
Dividends received		–	–	–	–	–	–	–			
Fines		344	394	445	602	602	602	602	601	631	663
Licences and permits		205	287	352	300	350	350	350	400	420	441
Agency services		557	1,067	1,084	1,130	1,140	1,140	1,140	1,109	1,164	1,223
Transfers recognised - operational		24,137	29,844	34,350	38,948	39,328	39,328	39,328	41,975	44,990	51,235
Other revenue	2	4,946	9,062	10,763	17,399	10,496	10,496	10,496	10,699	11,234	11,795
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		**79,073**	**105,027**	**121,189**	**141,792**	**145,485**	**145,485**	**145,485**	**157,128**	**165,900**	**178,191**

MP314 Emakhazeni - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13		2013/14 Medium Term Revenue &		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
RECEIPTS:	1, 2								
Operating Transfers and Grants									
National Government:		**23,887**	**29,859**	**34,335**	**38,948**	**38,948**	**41,975**	**44,990**	**51,235**
Local Government Equitable Share		22,224	28,324	31,562	35,648	35,648	38,535	42,256	48,318
Finance Management		935	1,000	1,250	1,500	1,500	1,550	1,800	1,950
Municipal Systems Improvement		727	535	790	800	800	890	934	967
Integrated National Electrification Programm				342	–	–			
EPWP Incentive				391	1,000	1,000	1,000		
Provincial Government:		–	–	–	–	–	–	–	–
District Municipality:		**250**	–	–	–	–	–	–	–
DSCR		250							
Other grant providers:		–	–	–	–	–	–	–	–
[insert description]									
Total Operating Transfers and Grants	5	**24,137**	**29,859**	**34,335**	**38,948**	**38,948**	**41,975**	**44,990**	**51,235**
Capital Transfers and Grants									
National Government:		**5,894**	**7,762**	**8,516**	**15,929**	**16,309**	**16,322**	**17,242**	**18,213**
Municipal Infrastructure Grant (MIG)		5,894	7,762	8,516	15,929	15,929	16,322	17,242	18,213
MIG ROLLOVER						380			
Provincial Government:		–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	**5,894**	**7,762**	**8,516**	**15,929**	**16,309**	**16,322**	**17,242**	**18,213**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**30,031**	**37,621**	**42,851**	**54,877**	**55,257**	**58,297**	**62,232**	**69,448**

1.5 Operating Expenditure Framework

MP314 Emakhazeni - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue &		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Expenditure By Type											
Employee related costs	2	469	1,925	4,743	10,553	3,598	3,598	3,598	939	985	1,035
Remuneration of councillors		3,452	3,447	4,256	4,322	4,480	4,480	4,480	4,754	4,992	5,241
Debt impairment	3		59,887	8,110	2,355	8,500	8,500	8,500	8,670	9,104	9,559
Depreciation & asset impairment	2	–	–	–	–	–	–	–	–	–	–
Finance charges		533	140	42	619						
Bulk purchases	2	–	–	–	–	–	–	–	–	–	–
Other materials	8	4,142	6,567	10,665	8,951	8,574	8,574	8,574	9,224	9,685	10,169
Contracted services		–	–	–	–	–	–	–	–	–	–
Transfers and grants		–	–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	55	71	106	150	128	128	128	161	169	178
Loss on disposal of PPE		565									
Total Expenditure		**9,216**	**72,038**	**27,923**	**26,950**	**25,280**	**25,280**	**25,280**	**23,747**	**24,935**	**26,181**
Surplus/(Deficit)		**(4,333)**	**(106,608)**	**(52,036)**	**(10,660)**	**(57,500)**	**(57,500)**	**(57,500)**	**(58,650)**	**(59,788)**	**(58,828)**
Transfers recognised - capital		5,894	7,762	8,515	15,929	15,929	15,929	15,929	16,322	17,242	18,213
Contributions recognised - capital	6	1,659	2,291	2,263	3,362	2,927	2,927	2,927	3,577	3,756	3,944
Contributed assets							–	–			
Surplus/(Deficit) after capital transfers & contributions		**1,561**	**(98,847)**	**(43,521)**	**5,269**	**(41,571)**	**(41,571)**	**(41,571)**	**(42,328)**	**(42,546)**	**(40,615)**

1.6 Capital Expenditure

MP314 Emakhazeni - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital Expenditure - Standard											
Governance and administration		6,358	7,832	8,537	16,619	17,688	17,688	17,688	16,593	17,526	18,512
Executive and council		6,297	7,813	8,537	16,049	17,648	17,648	17,648	16,532	17,463	18,445
Budget and treasury office		60	19		570	40	40	40	41	43	45
Corporate services		–	–						20	21	22
Community and public safety		265	1	3,959	140	160	160	160	96	101	106
Community and social services		216		–	–	40	40	40			
Sport and recreation		49	1	–	–	–	–	–			
Public safety		–		3,959	90	70	70	70	71	75	79
Housing		–	–	–	–	–	–	–			
Health				–	50	50	50	50	25	26	28
Economic and environmental services		–	–	–	–	–	–	–	25	26	28
Planning and development											
Road transport									25	26	28
Trading services		422	316	71	804	495	495	495	496	521	547
Electricity		68	25	–	260	260	260	260	265	279	293
Water		41	291	71	200	200	200	200	204	214	225
Waste water management		312		0	20	20	20	20	12	12	13
Waste management				–	324	15	15	15	15	16	17
Other					19	19	19	19	19	20	21
Total Capital Expenditure - Standa	3	7,044	8,149	12,567	17,582	18,362	18,362	18,362	17,229	18,195	19,213
Funded by:											
National Government		5,894	7,762	8,515	15,929	15,929	15,929	15,929	16,322	17,242	18,213
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	5,894	7,762	8,515	15,929	15,929	15,929	15,929	16,322	17,242	18,213
Public contributions & donation	5			3,959							
Borrowing	6										
Internally generated funds		1,150	388	93	1,653	2,433	2,433	2,433	907	953	1,000
Total Capital Funding	7	7,044	8,149	12,567	17,582	18,362	18,362	18,362	17,229	18,195	19,213

1.7 Annual Budget Tables

Explanatory notes to Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget.

MP314 Emakhazeni - Table A1 Consolidated Budget Summary

Description	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Financial Performance										
Property rates	**11,006**	16,162	19,682	23,520	29,394	29,394	29,394	32,634	34,266	35,979
Service charges	37,127	47,717	53,638	59,196	63,211	63,211	63,211	68,756	72,193	75,803
Investment revenue	133	23	104	36	363	363	363	381	400	420
Transfers recognised - operational	24,137	29,844	34,350	38,948	39,328	39,328	39,328	41,975	44,990	51,235
Other own revenue	6,671	11,281	13,414	20,092	13,189	13,189	13,189	13,382	14,051	14,754
Total Revenue (excluding capital transfers and contributions)	79,073	105,027	121,189	141,792	145,485	145,485	145,485	157,128	165,900	178,191
Employee costs	33,742	53,267	50,101	62,068	61,959	61,959	61,959	70,713	74,249	77,961
Remuneration of councillors	3,452	3,447	4,256	4,322	4,480	4,480	4,480	4,754	4,992	5,241
Depreciation & asset impairment	2,530	46,412	48,037	2,915	49,000	49,000	49,000	49,980	52,479	55,103
Finance charges	533	140	42	619	–	–	–	–	–	–
Materials and bulk purchases	22,117	29,683	40,509	44,113	43,736	43,736	43,736	46,953	49,300	51,765
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	21,033	78,685	30,279	38,415	43,810	43,810	43,810	43,378	44,669	46,949
Total Expenditure	83,406	211,635	173,225	152,452	202,985	202,985	202,985	215,778	225,689	237,019
Surplus/(Deficit)	(4,333)	(106,608)	(52,036)	(10,660)	(57,500)	(57,500)	(57,500)	(58,650)	(59,788)	(58,828)
Transfers recognised - capital	5,894	7,762	8,515	15,929	15,929	15,929	15,929	16,322	17,242	18,213
Contributions recognised - capital & contributed a	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	1,561	(98,847)	(43,521)	5,269	(41,571)	(41,571)	(41,571)	(42,328)	(42,546)	(40,615)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1,561	(98,847)	(43,521)	5,269	(41,571)	(41,571)	(41,571)	(42,328)	(42,546)	(40,615)
Capital expenditure & funds sources										
Capital expenditure	**7,044**	8,149	12,567	17,582	18,362	18,362	18,362	17,229	18,195	19,213
Transfers recognised - capital	**5,894**	7,762	8,515	15,929	15,929	15,929	15,929	16,322	17,242	18,213
Public contributions & donations	**–**	–	3,959	–	–	–	–	–	–	–
Borrowing	**–**	–	–	–	–	–	–	–	–	–
Internally generated funds	**1,150**	388	93	1,653	2,433	2,433	2,433	907	953	1,000
Total sources of capital funds	**7,044**	8,149	12,567	17,582	18,362	18,362	18,362	17,229	18,195	19,213
Financial position										
Total current assets	**66,136**	20,398	24,420	84,241	84,241	84,241	84,241	88,982	90,832	95,374
Total non current assets	**25,936**	583,759	557,779	62,750	62,750	62,750	62,750	429,409	479,804	501,795
Total current liabilities	**38,831**	65,659	92,995	35,557	35,557	35,557	35,557	31,929	32,875	33,869
Total non current liabilities	**3,011**	–	2,743	–	–	–	–	3,620	3,757	3,901
Community wealth/Equity	**50,230**	538,498	486,462	111,433	111,433	111,433	111,433	482,842	534,004	559,400
Cash flows										
Net cash from (used) operating	**(4,333)**	(106,608)	(52,036)	1,714	1,781	1,781	1,781	2,606	4,531	8,707
Net cash from (used) investing	**–**	–	–	–	–	–	–	(16,322)	(17,242)	(18,213)
Net cash from (used) financing	**–**	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	**(4,333)**	(110,941)	(162,978)	1,714	1,781	1,781	1,781	(72,368)	(85,079)	(94,585)
Cash backing/surplus reconciliation										
Cash and investments available	**(11,332)**	(1,152)	3,025	96	96	96	96	2,875	3,020	3,171
Application of cash and investments	**(47,251)**	36,181	56,429	(66,380)	(64,702)	(64,702)	(64,702)	(56,853)	(58,231)	(61,792)
Balance - surplus (shortfall)	**35,920**	(37,334)	(53,403)	66,476	64,798	64,798	64,798	59,728	61,251	64,963
Asset management										
Asset register summary (WDV)	**25,936**	583,759	557,779	357,629	375,599	392,510	440,164	440,164	460,823	482,515
Depreciation & asset impairment	**2,530**	46,412	48,037	2,915	49,000	49,000	49,980	49,980	52,479	55,103
Renewal of Existing Assets	**–**	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	**–**	–	–	–	–	–	–	–	–	–
Free services										
Cost of Free Basic Services provided	**0**	0	0	0	0	0	0	0	0	0
Revenue cost of free services provided	**4,548**	10,606	8,555	7,613	8,662	8,662	8,692	8,692	8,769	8,849
Households below minimum service level										
Water:	1	1	1	1	1	1	1	1	1	1
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	1	3	3	3	3	3	3	3	3	3

Explanatory notes to Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. Municipal revenue, operating expenditure and capital expenditure are then classified in terms if each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

MP314 Emakhazeni - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard										
Governance and administration		**41,723**	**56,501**	**61,450**	**85,453**	**86,281**	**86,281**	**93,993**	**100,762**	**109,905**
Executive and council		40,957	53,858	60,574	74,596	82,266	82,266	90,037	96,609	105,544
Budget and treasury office		766	2,643	876	10,857	4,015	4,015	3,955	4,153	4,361
Corporate services		–	–	–	–	–	–	–	–	–
Community and public safety		**396**	**1,572**	**4,138**	**250**	**403**	**403**	**542**	**570**	**598**
Community and social services		317	59	72	55	58	58	68	72	75
Sport and recreation		79	170	87	185	185	185	174	183	192
Public safety		–	1,343	3,979	10	160	160	300	315	331
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**5,483**	**6,252**	**8,084**	**9,172**	**9,282**	**9,282**	**9,443**	**8,865**	**9,308**
Planning and development		161	345	511	1,288	1,288	1,288	1,558	586	615
Road transport		5,322	5,907	7,573	7,884	7,994	7,994	7,885	8,280	8,694
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**37,366**	**48,463**	**56,032**	**62,847**	**65,449**	**65,449**	**69,472**	**72,945**	**76,593**
Electricity		21,808	29,174	31,520	38,633	39,233	39,233	41,930	44,026	46,228
Water		6,460	8,363	11,216	11,115	11,917	11,917	11,679	12,263	12,876
Waste water management		4,841	5,604	6,513	7,060	7,060	7,060	7,834	8,225	8,637
Waste management		4,257	5,322	6,784	6,038	7,238	7,238	8,030	8,431	8,853
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Standard	2	**84,968**	**112,788**	**129,704**	**157,721**	**161,414**	**161,414**	**173,450**	**183,142**	**196,404**
Expenditure - Standard										
Governance and administration		**31,411**	**148,581**	**100,311**	**67,515**	**122,019**	**122,019**	**124,423**	**130,920**	**137,621**
Executive and council		10,729	124,320	74,574	34,952	44,351	44,351	43,373	45,818	48,264
Budget and treasury office		14,924	16,564	17,523	24,237	69,774	69,774	71,023	74,574	78,303
Corporate services		5,757	7,697	8,214	8,326	7,894	7,894	10,027	10,528	11,055
Community and public safety		**9,019**	**10,762**	**10,244**	**12,498**	**12,211**	**12,211**	**9,468**	**9,942**	**10,439**
Community and social services		4,165	4,903	4,396	5,441	5,367	5,367	2,121	2,228	2,339
Sport and recreation		2,761	3,037	3,286	4,075	3,741	3,741	4,208	4,419	4,640
Public safety		895	1,252	1,052	1,557	1,629	1,629	1,887	1,981	2,080
Housing		–	–	–	–	–	–	–	–	–
Health		1,198	1,570	1,510	1,425	1,475	1,475	1,252	1,315	1,380
Economic and environmental services		**12,490**	**16,082**	**17,034**	**21,017**	**20,466**	**20,466**	**29,661**	**30,094**	**31,599**
Planning and development		7,249	8,886	8,181	10,913	10,286	10,286	14,931	14,627	15,358
Road transport		5,242	7,197	8,853	10,104	10,180	10,180	14,731	15,467	16,240
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**36,380**	**43,408**	**53,635**	**66,630**	**63,587**	**63,587**	**67,362**	**70,730**	**74,267**
Electricity		22,968	28,288	34,426	45,455	42,431	42,431	45,376	47,644	50,027
Water		3,486	4,634	6,897	6,402	7,661	7,661	7,323	7,689	8,074
Waste water management		4,399	3,958	4,710	5,955	5,598	5,598	5,833	6,125	6,431
Waste management		5,528	6,528	7,603	8,818	7,896	7,896	8,830	9,271	9,735
Other	4	**–**	**564**	**516**	**721**	**631**	**631**	**1,185**	**1,244**	**1,306**
Total Expenditure - Standard	3	**89,301**	**219,397**	**181,740**	**168,381**	**218,914**	**218,914**	**232,100**	**242,931**	**255,232**
Surplus/(Deficit) for the year		**(4,333)**	**(106,608)**	**(52,036)**	**(10,660)**	**(57,500)**	**(57,500)**	**(58,650)**	**(59,788)**	**(58,828)**

Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

MP314 Emakhazeni - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote	1									
Vote 1 - EXECUTIVE & COUNCIL		40,957	53,858	60,574	74,596	82,266	82,266	90,037	96,609	105,544
Vote 2 - FINANCE & ADMIN		766	2,643	876	10,857	4,015	4,015	3,955	4,153	4,361
Vote 3 - PLANNING & DEVELOPMENT		161	345	511	1,288	1,288	1,288	1,558	586	615
Vote 4 - HEALTH		–	–	–	–	–	–	–	–	–
Vote 5 - COMMUNITY & SOCIAL SERVICES		317	59	72	55	58	58	68	72	75
Vote 6 - PUBLIC SAFETY		–	1,343	3,979	10	160	160	300	315	331
Vote 7 - SPORT &RECREATION		79	170	87	185	185	185	174	183	192
Vote 8 - WASTE MANAGEMENT		4,257	5,322	6,784	6,038	7,238	7,238	8,030	8,431	8,853
Vote 9 - WASTE WATER MANAGEMENT		4,841	5,604	6,513	7,060	7,060	7,060	7,834	8,225	8,637
Vote 10 - ROAD TRANSPORT		5,322	5,907	7,573	7,884	7,994	7,994	7,885	8,280	8,694
Vote 11 - WATER		6,460	8,363	11,216	11,115	11,917	11,917	11,679	12,263	12,876
Vote 12 - ELECTRICITY		21,808	29,174	31,520	38,633	39,233	39,233	41,930	44,026	46,228
Vote 13 - OTHER		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**84,968**	**112,788**	**129,704**	**157,721**	**161,414**	**161,414**	**173,450**	**183,142**	**196,404**
Expenditure by Vote ***to be appropriated***	1									
Vote 1 - EXECUTIVE & COUNCIL		4,835	116,559	66,059	19,023	28,422	28,422	27,051	28,576	30,051
Vote 2 - FINANCE & ADMIN		20,681	24,260	25,736	32,563	77,668	77,668	81,050	85,102	89,357
Vote 3 - PLANNING & DEVELOPMENT		7,249	8,886	8,181	10,913	10,286	10,286	14,931	14,627	15,358
Vote 4 - HEALTH		1,198	1,570	1,510	1,425	1,475	1,475	1,252	1,315	1,380
Vote 5 - COMMUNITY & SOCIAL SERVICES		4,165	4,903	4,396	5,441	5,367	5,367	2,121	2,228	2,339
Vote 6 - PUBLIC SAFETY		895	1,252	1,052	1,557	1,629	1,629	1,887	1,981	2,080
Vote 7 - SPORT &RECREATION		2,761	3,037	3,286	4,075	3,741	3,741	4,208	4,419	4,640
Vote 8 - WASTE MANAGEMENT		5,528	6,528	7,603	8,818	7,896	7,896	8,830	9,271	9,735
Vote 9 - WASTE WATER MANAGEMENT		4,399	3,958	4,710	5,955	5,598	5,598	5,833	6,125	6,431
Vote 10 - ROAD TRANSPORT		5,242	7,197	8,853	10,104	10,180	10,180	14,731	15,467	16,240
Vote 11 - WATER		3,486	4,634	6,897	6,402	7,661	7,661	7,323	7,689	8,074
Vote 12 - ELECTRICITY		22,968	28,288	34,426	45,455	42,431	42,431	45,376	47,644	50,027
Vote 13 - OTHER		–	564	516	721	631	631	1,185	1,244	1,306
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**83,406**	**211,635**	**173,225**	**152,452**	**202,985**	**202,985**	**215,778**	**225,689**	**237,019**
Surplus/(Deficit) for the year	2	**1,561**	**(98,847)**	**(43,521)**	**5,269**	**(41,571)**	**(41,571)**	**(42,328)**	**(42,546)**	**(40,615)**

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Table A4 reflects the level in which the revenue base of the municipality. Our reliance is mainly on property rates and service charges as they constitute 53% of the total budget.

2. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operations gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

MP314 Emakhazeni - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source											
Property rates	2	11,006	16,162	19,682	23,520	29,394	29,394	29,394	32,634	34,266	35,979
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	21,592	28,446	30,553	35,406	38,589	38,589	38,589	41,291	43,355	45,523
Service charges - water revenue	2	6,451	8,363	9,806	10,745	10,377	10,377	10,377	11,653	12,236	12,848
Service charges - sanitation revenue	2	4,257	5,322	6,783	6,013	7,213	7,213	7,213	7,805	8,195	8,605
Service charges - refuse revenue	2	4,828	5,585	6,495	7,031	7,031	7,031	7,031	8,007	8,407	8,827
Service charges - other											
Rental of facilities and equipment		620	471	770	661	601	601	601	574	603	633
Interest earned - external investments		133	23	104	36	363	363	363	381	400	420
Interest earned - outstanding debtors		–	–	–	–	–	–	–			
Dividends received		–	–	–	–	–	–	–			
Fines		344	394	445	602	602	602	602	601	631	663
Licences and permits		205	287	352	300	350	350	350	400	420	441
Agency services		557	1,067	1,084	1,130	1,140	1,140	1,140	1,109	1,164	1,223
Transfers recognised - operational		24,137	29,844	34,350	38,948	39,328	39,328	39,328	41,975	44,990	51,235
Other revenue	2	4,946	9,062	10,763	17,399	10,496	10,496	10,496	10,699	11,234	11,795
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		**79,073**	**105,027**	**121,189**	**141,792**	**145,485**	**145,485**	**145,485**	**157,128**	**165,900**	**178,191**
Expenditure By Type											
Employee related costs	2	33,742	53,267	50,101	62,068	61,959	61,959	61,959	70,713	74,249	77,961
Remuneration of councillors		3,452	3,447	4,256	4,322	4,480	4,480	4,480	4,754	4,992	5,241
Debt impairment	3		59,887	8,110	2,355	8,500	8,500	8,500	8,670	9,104	9,559
Depreciation & asset impairment	2	2,530	46,412	48,037	2,915	49,000	49,000	49,000	49,980	52,479	55,103
Finance charges		533	140	42	619						
Bulk purchases	2	17,975	23,116	29,844	35,162	35,162	35,162	35,162	37,729	39,615	41,596
Other materials	8	4,142	6,567	10,665	8,951	8,574	8,574	8,574	9,224	9,685	10,169
Contracted services		3,029	3,679	6,549	5,516	5,596	5,596	5,596	5,643	5,925	6,221
Transfers and grants		–	–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	17,439	15,118	15,620	30,544	29,714	29,714	29,714	29,066	29,641	31,169
Loss on disposal of PPE		565									
Total Expenditure		**83,406**	**211,635**	**173,225**	**152,452**	**202,985**	**202,985**	**202,985**	**215,778**	**225,689**	**237,019**
Surplus/(Deficit)		**(4,333)**	**(106,608)**	**(52,036)**	**(10,660)**	**(57,500)**	**(57,500)**	**(57,500)**	**(58,650)**	**(59,788)**	**(58,828)**
Transfers recognised - capital		5,894	7,762	8,515	15,929	15,929	15,929	15,929	16,322	17,242	18,213
Contributions recognised - capital	6	–	–	–	–	–	–	–	–	–	–
Contributed assets							–	–			
Surplus/(Deficit) after capital transfers & contributions		**1,561**	**(98,847)**	**(43,521)**	**5,269**	**(41,571)**	**(41,571)**	**(41,571)**	**(42,328)**	**(42,546)**	**(40,615)**
Taxation											
Surplus/(Deficit) after taxation		**1,561**	**(98,847)**	**(43,521)**	**5,269**	**(41,571)**	**(41,571)**	**(41,571)**	**(42,328)**	**(42,546)**	**(40,615)**
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		**1,561**	**(98,847)**	**(43,521)**	**5,269**	**(41,571)**	**(41,571)**	**(41,571)**	**(42,328)**	**(42,546)**	**(40,615)**
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		**1,561**	**(98,847)**	**(43,521)**	**5,269**	**(41,571)**	**(41,571)**	**(41,571)**	**(42,328)**	**(42,546)**	**(40,615)**

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

MP314 Emakhazeni - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue &		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital multi-year expenditure sub-total	7	–	–	–	–	–	–	–	–	–	–
Single-year expenditure *to be appropriated*	2										
Vote 1 - EXECUTIVE & COUNCIL		6,297	7,832	8,537	16,049	17,648	17,648	17,648	16,532	17,463	18,445
Vote 2 - FINANCE & ADMIN		60	0	–	570	40	40	40	61	64	67
Vote 3 - PLANNING & DEVELOPMENT		–	–	–	–	–	–	–	–	–	–
Vote 4 - HEALTH		–	–	–	50	50	50	50	25	26	28
Vote 5 - COMMUNITY & SOCIAL SERVICES		216	–	–	–	40	40	40	–	–	–
Vote 6 - PUBLIC SAFETY		–	–	3,959	90	70	70	70	71	75	79
Vote 7 - SPORT &RECREATION		49	1	–	–	–	–	–	–	–	–
Vote 8 - WASTE MANAGEMENT		–	–	–	324	15	15	15	15	16	17
Vote 9 - WASTE WATER MANAGEMENT		312	–	0	20	20	20	20	12	12	13
Vote 10 - ROAD TRANSPORT		–	–	–	–	–	–	–	25	26	28
Vote 11 - WATER		41	291	71	200	200	200	200	204	214	225
Vote 12 - ELECTRICITY		68	25	–	260	260	260	260	265	279	293
Vote 13 - OTHER		–	–	–	19	19	19	19	19	20	21
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**7,044**	**8,149**	**12,567**	**17,582**	**18,362**	**18,362**	**18,362**	**17,229**	**18,195**	**19,213**
Total Capital Expenditure - Vote		**7,044**	**8,149**	**12,567**	**17,582**	**18,362**	**18,362**	**18,362**	**17,229**	**18,195**	**19,213**
Capital Expenditure - Standard											
Governance and administration		**6,358**	**7,832**	**8,537**	**16,619**	**17,688**	**17,688**	**17,688**	**16,593**	**17,526**	**18,512**
Executive and council		6,297	7,813	8,537	16,049	17,648	17,648	17,648	16,532	17,463	18,445
Budget and treasury office		60	19		570	40	40	40	41	43	45
Corporate services		–	–						20	21	22
Community and public safety		**265**	**1**	**3,959**	**140**	**160**	**160**	**160**	**96**	**101**	**106**
Community and social services		216		–	–	40	40	40			
Sport and recreation		49	1	–	–	–	–	–			
Public safety		–		3,959	90	70	70	70	71	75	79
Housing		–	–	–	–	–	–	–			
Health				–	50	50	50	50	25	26	28
Economic and environmental services		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**25**	**26**	**28**
Planning and development											
Road transport									25	26	28
Environmental protection											
Trading services		**422**	**316**	**71**	**804**	**495**	**495**	**495**	**496**	**521**	**547**
Electricity		68	25	–	**260**	260	260	260	265	279	293
Water		41	291	71	200	200	200	200	204	214	225
Waste water management		312		0	20	20	20	20	12	12	13
Waste management				–	324	15	15	15	15	16	17
Other					**19**	**19**	**19**	**19**	19	20	21
Total Capital Expenditure - Standard	3	**7,044**	**8,149**	**12,567**	**17,582**	**18,362**	**18,362**	**18,362**	**17,229**	**18,195**	**19,213**
Funded by:											
National Government		5,894	7,762	8,515	15,929	15,929	15,929	15,929	16,322	17,242	18,213
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	**5,894**	**7,762**	**8,515**	**15,929**	**15,929**	**15,929**	**15,929**	**16,322**	**17,242**	**18,213**
Public contributions & donations	5			3,959							
Borrowing	6										
Internally generated funds		1,150	388	93	1,653	2,433	2,433	2,433	907	953	1,000
Total Capital Funding	7	**7,044**	**8,149**	**12,567**	**17,582**	**18,362**	**18,362**	**18,362**	**17,229**	**18,195**	**19,213**

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).

MP314 Emakhazeni - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Current assets											
Cash		233	36	3 025	75	75	75	75	77	82	86
Call investment deposits	1	–	–	–	21	21	21	21	2 798	2 938	3 085
Consumer debtors	1	61 127	17 843	18 802	81 500	81 500	81 500	81 500	92 021	56 897	10 542
Other debtors		4 079	1 401	2 161	2 410	2 410	2 410	2 410	2 530	2 657	2 790
Current portion of long-term receivables		–	894	–	–	–	–	–			
Inventory	2	697	224	432	235	235	235	235	247	259	272
Total current assets		**66 136**	**20 398**	**24 420**	**84 241**	**84 241**	**84 241**	**84 241**	**97 673**	**62 832**	**16 774**
Non current assets											
Long-term receivables											
Investments			–								
Investment property		24 779	27 034	26 976					26 976	26 976	26 976
Investment in Associate											
Property, plant and equipment	3	–	555 723	529 975	62 750	62 750	62 750	62 750	401 380	451 723	473 659
Agricultural											
Biological											
Intangible		1 156	1 002	828					1 052	1 105	1 160
Other non-current assets											
Total non current assets		**25 936**	**583 759**	**557 779**	**62 750**	**62 750**	**62 750**	**62 750**	**429 409**	**479 804**	**501 795**
TOTAL ASSETS		**92 072**	**604 157**	**582 200**	**146 991**	**146 991**	**146 991**	**146 991**	**527 082**	**542 636**	**518 570**
LIABILITIES											
Current liabilities											
Bank overdraft	1	11 565	1 188								
Borrowing	4	903	981	–	–	–	–	–	–	–	–
Consumer deposits		1 307	1 504	1 636	1 579	1 579	1 579	1 579	1 658	1 741	1 828
Trade and other payables	4	23 220	61 986	82 590	33 978	33 978	33 978	33 978	50 832	26 134	27 041
Provisions		1 836	–	8 768							
Total current liabilities		**38 831**	**65 659**	**92 995**	**35 557**	**35 557**	**35 557**	**35 557**	**52 490**	**27 875**	**28 869**
Non current liabilities											
Borrowing		3 011	–	–	–	–	–	–	–	–	–
Provisions		–	–	2 743	–	–	–	–	3 620	3 757	3 901
Total non current liabilities		**3 011**	**–**	**2 743**	**–**	**–**	**–**	**–**	**3 620**	**3 757**	**3 901**
TOTAL LIABILITIES		**41 841**	**65 659**	**95 738**	**35 557**	**35 557**	**35 557**	**35 557**	**56 110**	**31 632**	**32 770**
NET ASSETS	5	**50 230**	**538 498**	**486 462**	**111 433**	**111 433**	**111 433**	**111 433**	**470 972**	**511 004**	**485 800**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		50 230	538 498	486 462	111 433	111 433	111 433	111 433	482 842	534 004	559 400
Reserves	4	–	–	–	–	–	–	–	–	–	–
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	**50 230**	**538 498**	**486 462**	**111 433**	**111 433**	**111 433**	**111 433**	**482 842**	**534 004**	**559 400**

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.

2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

MP314 Emakhazeni - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		54 804	75 160	86 734	102 808	103 678	103 678	103 678	114 773	120 386	126 535
Government - operating	1	24 137	29 844	34 350	38 948	39 328	39 328	39 328	41 975	44 990	51 235
Government - capital	1	5 894	7 762	8 515	15 929	15 929	15 929	15 929	16 322	17 242	18 213
Interest		133	23	104	36	363	363	363	381	400	420
Dividends											
Payments											
Suppliers and employees		(86 891)	(217 216)	(178 336)	(136 158)	(137 908)	(137 908)	(137 908)	(156 221)	(172 841)	(186 668)
Finance charges		(533)	(140)	(42)	(619)	–	–	–	–	–	–
Transfers and Grants	1	(1 877)	(2 040)	(3 363)	(19 229)	(19 609)	(19 609)	(19 609)	(3 440)	(2 734)	(2 917)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(4 333)**	**(106 608)**	**(52 036)**	**1 714**	**1 781**	**1 781**	**1 781**	**13 790**	**7 444**	**6 818**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									1 000	–	–
Decrease (Increase) in non-current debtors									36 000	48 000	16 000
Decrease (increase) other non-current receivables									(33 561)	–	–
Decrease (increase) in non-current investments											
Payments											
Capital assets									(17 229)	(17 242)	(18 213)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(13 790)**	**30 758**	**(2 213)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing											
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**(4 333)**	**(106 608)**	**(52 036)**	**1 714**	**1 781**	**1 781**	**1 781**	**0**	**38 202**	**4 605**
Cash/cash equivalents at the year begin:	2		**(4 333)**	**(110 941)**				**–**	**2 750**	**2 750**	**40 952**
Cash/cash equivalents at the year end:	2	**(4 333)**	**(110 941)**	**(162 978)**	**1 714**	**1 781**	**1 781**	**1 781**	**2 750**	**40 952**	**45 557**

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".

MP314 Emakhazeni - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash and investments available											
Cash/cash equivalents at the year end	1	(4 333)	(110 941)	(162 978)	1 714	1 781	1 781	1 781	2 750	40 952	45 557
Other current investments > 90 days		(6 999)	109 789	166 003	(1 619)	(1 685)	(1 685)	(1 685)	125	(37 932)	(42 386)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**(11 332)**	**(1 152)**	**3 025**	**96**	**96**	**96**	**96**	**2 875**	**3 020**	**3 171**
Application of cash and investments											
Unspent conditional transfers		6 996	6 537	11 448	5 000	5 000	5 000	5 000	–	–	–
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2										
Other working capital requirements	3	(54 247)	29 644	44 981	(71 380)	(69 702)	(69 702)	(69 702)	(60 991)	(51 492)	(5 331)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		**(47 251)**	**36 181**	**56 429**	**(66 380)**	**(64 702)**	**(64 702)**	**(64 702)**	**(60 991)**	**(51 492)**	**(5 331)**
Surplus(shortfall)		**35 920**	**(37 334)**	**(53 403)**	**66 476**	**64 798**	**64 798**	**64 798**	**63 866**	**54 512**	**8 502**

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

MP314 Emakhazeni - Table A9 Consolidated Asset Management

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CAPITAL EXPENDITURE										
Total New Assets	1	**–**	**–**	**–**	**17,582**	**18,362**	**–**	**17,229**	**18,195**	**19,213**
Infrastructure - Road transport		–	–	–	2,710	3,198	–	2,846	2,988	3,137
Infrastructure - Electricity		–	–	–	3,550	3,009	–	2,876	3,020	3,171
Infrastructure - Water		–	–	–	2,000	2,360	–	2,478	2,602	2,732
Infrastructure - Sanitation		–	–	–	1,300	1,180	–	1,079	1,133	1,190
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	*9,560*	*9,747*	–	*9,278*	*9,742*	*10,229*
Community		–	–	–	550	649	–	681	716	751
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	–	–	–	7,472	7,966	–	7,269	7,737	8,233
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	2	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Infrastructure - Road transport		–	–	–	–	–	–	–	–	–
Infrastructure - Electricity		–	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	–	–	–	–	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	4									
Infrastructure - Road transport		–	–	–	2,710	3,198	–	2,846	2,988	3,137
Infrastructure - Electricity		–	–	–	3,550	3,009	–	2,876	3,020	3,171
Infrastructure - Water		–	–	–	2,000	2,360	–	2,478	2,602	2,732
Infrastructure - Sanitation		–	–	–	1,300	1,180	–	1,079	1,133	1,190
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	*9,560*	*9,747*	–	*9,278*	*9,742*	*10,229*
Community		–	–	–	550	649	–	681	716	751
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets		–	–	–	7,472	7,966	–	7,269	7,737	8,233
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	2	**–**	**–**	**–**	**17,582**	**18,362**	**–**	**17,229**	**18,195**	**19,213**
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport			356	496	521	547	574	603	633	665
Infrastructure - Electricity			27,000	32,297	33,827	35,607	35,518	37,294	39,159	41,117
Infrastructure - Water			80,345	85,373	89,641	94,123	98,830	103,771	108,960	114,408
Infrastructure - Sanitation			85,314	65,903	69,198	72,658	76,290	80,105	84,110	88,316
Infrastructure - Other			130,897	151,275	158,839	166,781	175,120	183,876	193,070	202,723
Infrastructure		–	*323,912*	*335,344*	*352,026*	*369,716*	*386,333*	*405,650*	*425,932*	*447,229*
Community			6,558	5,336	5,602	5,883	6,177	6,486	6,810	7,150
Heritage assets										
Investment properties		24,779	27,034	26,976	–	–	–	26,976	26,976	26,976
Other assets			225,253	189,296						
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		1,156	1,002	828	–	–	–	1,052	1,105	1,160
TOTAL ASSET REGISTER SUMMARY - PPE (WDV	5	**25,936**	**583,759**	**557,779**	**357,629**	**375,599**	**392,510**	**440,164**	**460,823**	**482,515**
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		2,530	46,412	48,037	2,915	49,000	49,000	49,980	52,479	55,103
Repairs and Maintenance by Asset Class	3	–	–	–	–	–	–	–	–	–
Infrastructure - Road transport		–	–	–	–	–	–	–	–	–
Infrastructure - Electricity		–	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6, 7	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		**2,530**	**46,412**	**48,037**	**2,915**	**49,000**	**49,000**	**49,980**	**52,479**	**55,103**
Renewal of Existing Assets as % of total capex		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Renewal of Existing Assets as % of deprecn"		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
R&M as a % of PPE		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Renewal and R&M as a % of PPE		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

MP314 Emakhazeni - Table A10 Consolidated basic service delivery measurement

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Household service targets	1									
Water:										
Piped water inside dwelling		9,204	9,404	9,404	9,404	9,404	9,404	9,404	9,404	9,404
Piped water inside yard (but not in dwelling)		1,954	1,754	1,754	1,754	1,754	1,754	1,754	1,754	1,754
Using public tap (at least min.service level)	2									
Other water supply (at least min.service level)	4									
Minimum Service Level and Above sub-total		11,158	11,158	11,158	11,158	11,158	11,158	11,158	11,158	11,158
Using public tap (< min.service level)	3	630	500	500	500	500	500	500	500	500
Other water supply (< min.service level)	4	329	354							
No water supply										
Below Minimum Service Level sub-total		959	854	500	500	500	500	500	500	500
Total number of households	5	**12,117**	**12,012**	**11,658**	**11,658**	**11,658**	**11,658**	**11,658**	**11,658**	**11,658**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		10	265	265	397	397	397	440	265	265
Flush toilet (with septic tank)				109	110	110	110	106	105	109
Chemical toilet										
Pit toilet (ventilated)										
Other toilet provisions (> min.service level)										
Minimum Service Level and Above sub-total		10	265	374	507	507	507	546	264,632	264,636
Bucket toilet										
Other toilet provisions (< min.service level)										
No toilet provisions										
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**10**	**265**	**374**	**507**	**507**	**507**	**546**	**264,632**	**264,636**
Energy:										
Electricity (at least min.service level)										
Electricity - prepaid (min.service level)		6,191	6,560	6,932	7,000	7,000	7,000	7,102	7,102	7,106
Minimum Service Level and Above sub-total		6,191	6,560	6,932	7,000	7,000	7,000	7,102	7,102	7,106
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**6,191**	**6,560**	**6,932**	**7,000**	**7,000**	**7,000**	**7,102**	**7,102**	**7,106**
Refuse:										
Removed at least once a week		12	12	12	12	12	12	12	12	12
Minimum Service Level and Above sub-total		11,960	11,960	11,960	11,960	11,960	11,960	11,960	11,960	11,960
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump		1	3	3	3	3	3	3	3	3
Other rubbish disposal										
No rubbish disposal										
Below Minimum Service Level sub-total		1,400	2,618	2,618	2,618	2,618	2,618	2,618	2,618	2,618
Total number of households	5	**13,360**	**14,578**	**14,578**	**14,578**	**14,578**	**14,578**	**14,578**	**14,578**	**14,578**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		13	14	16	18	18	18	18	18	20
Sanitation (free minimum level service)		34	37	42	47	47	47	47	47	52
Electricity/other energy (50kwh per household per month)										
Refuse (removed at least once a week)										
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		0	0	0	0	0	0	0	0	0
Sanitation (free sanitation service)		0	0	0	0	0	0	0		
Electricity/other energy (50kwh per household per mo		0	0	0	0	0	0	0		
Refuse (removed once a week)		0	0	0	0	0	0	0	0	
Total cost of FBS provided (minimum social packa		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Highest level of free service provided										
Property rates (R value threshold)		114	126	142	158	158	158	175		
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		6	6	6	6	6		6	6	6
Sanitation (Rand per household per month)		50	56	63	70	70	78	86		
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		46	52	58	65	65	73	81		
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		380	411	436	436	436	436	436	436	436
Property rates (other exemptions, reductions and rebates)			7,611	3,319	3,319	3,319	3,319	3,319	3,319	3,319
Water		302	986	1,393	332	1,500	1,500	1,530	1,607	1,687
Sanitation		267	288	366	366	366	366	366	366	366
Electricity/other energy		3,178	858	2,464	2,583	2,464	2,464	2,464	2,464	2,464
Refuse		421	453	577	577	577	577	577	577	577
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of free services provided (total social package)		**4,548**	**10,606**	**8,555**	**7,613**	**8,662**	**8,662**	**8,692**	**8,769**	**8,849**

PART 2 – SUPPORTING DOCUMENTATION

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

a. Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2012) a time schedule that sets out the process to revise the IDP and prepare the budget.

The following has been adhered to in terms of the Budget Time Table and IDP process plan:

- Service delivery implementation were drafted and approved by Council on 26 July 2012.
- Budget timetable for 2013/14 - 2015/2016 scheduling key deadlines was adopted by council on 26 July 2012.
- Annual financial statements were prepared and submitted to the Auditor General by the 31st August 2012, then they were audited between September and October 2012 and the municipality got a qualified audit opinion.
- Nkangala Outreach Programme was held in 24 February 2013 at, Siyathuthuka Stadium.
- The IDP review process was done in the month of February and March 2013
- The Mid-year budget and performance assessment as informed by Section 72 of the MFMA report has been prepared and tabled to Council 31 January 2013.
- The proposed adjustment budget has been done and approved by Council on the 28 February 2013.
- The draft annual budget is tabled to Council on the 28 March 2013
- The public participation meetings are to take place to consult on the MTREF 2013/14 in the month of April and May 2013

2.2 Overview of alignment of annual budget with IDP

The Emakhazeni Local Council adopted an Integrated Development Plan (IDP) process plan in terms of section 28 of the Municipal Systems Act which clarified the roles and responsibilities of IDP structures that must be established for the consideration of the final IDP review for the 2010/2011 Financial Year.

This review process was done in terms of section 34 of the MSA[2] which inter-alia reads as follows:

"A municipal Council must review its IDP in accordance with an assessment of its performance measurements in terms of section 41; and to the extent that changing circumstances so demand; and may amend its IDP in accordance with a prescribed process".

Therefore, the purpose of this review is to incorporate the views of the community of Emakhazeni, as influenced by changing circumstances.

Accordingly, section 25 of the Municipal Structures Act (MSA) says that each municipal council must, within a prescribed period after its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which;

(a) Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
(b) Aligns the resources and capacity of the municipality with the implementation of the plan;
(c) Forms the policy framework and general basis on which annual budgets must be based
(d) Is compatible with National and Provincial development plan and planning requirements binding on the municipality in terms of MFMA Circular no. 54.

An integrated development plan adopted by a municipal council in terms of sub-section (1) may be amended in terms of section 34 and remains in force until an integrated development plan is adopted by the next elected council.

Although, the legislation allows the revised 2010-2011 IDP to remain in force until the newly elected council plans drafts, and adopt its own IDP, the councilors have felt that a new fifth revision needs to be planned, drafted and adopted since there are circumstances on the ground that necessitate the adoption of a new revised IDP. These circumstances include but are not limited to the election of new cabinet with a different set of priorities, adoption of new growth path towards creation of decent work.
So, these circumstances together with other provincial and district priorities necessitate the drafting and adoption of a new five year plan to guide all planning of the municipality in the next five years.

In drafting the IDP for the next five years, the municipality has followed its process plan adopted in terms of section 28 (1)(2) and (3) of the Municipal Systems Act, adopted by council during July 2010.

Unfortunately the adopted process plan has had to be amended three times due to circumstances that necessitated such review. These circumstances include among other issues, the following:

- Community unrests
- National Treasury's Municipal Financial Management Act (MFMA) circular no: 54
- The late receipt of Nkangala District Municipality's framework plan binding on the municipality.

Section 26 (a) to (i) of the MSA[2] prescribes nine (9) key components which must appear on a credible IDP and these components are discussed in summary below.

a) The vision of the Municipality was amended during the strategic planning session held from the 02 to the 04th of March 2008 and it now reads as follows: "A secure environment with sustainable development to promote service excellence, unity and community participation, resulting in a caring society".

This means that the Municipality is thriving to rapidly transform its internal systems such that they are conducive for the rendering of excellence in service delivery which will encourage communities to hold Council accountable, and make each member of the public to be a watch dog of service delivery.

b) Chapter 3 of the IDP document discusses the existing level of development in the Municipality. Since the Municipality does not have sufficient capacity to conduct regular Social Surveys, it relies on the Census 2001 data as its source of information.

- The municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs.
- The current vision of the municipality remains relevant and it reads as follows;

  "A secure environment with sustainable development to promote service excellence, unity and community participation, resulting in a caring society".

The new five year Strategic plan is the era of community service, developmental planning and delivery services for the community of Emakhazeni.

The 2014 in particular is going to be an important year for the country and other countries that are a signatory to the Millennium Development goals adopted by the United Nations (UN).

(c) Guided by the community, the Municipal Council has developed a set of 25 priority development issues as per the requirement of section 26 (c), which are clustered into five Key Performance Areas, to be implemented during the next three years. They further include the priority areas as indicated in the 2011 State of the Nation Address and the Mpumalanga Economic Growth Path.

The Key Performance Areas are the following:

1. Service Delivery and Infrastructure Developments
2. Local Economic Development
3. Municipal Financial Liability
4. Institutional Transformation
5. Good Governance and Public Participation

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

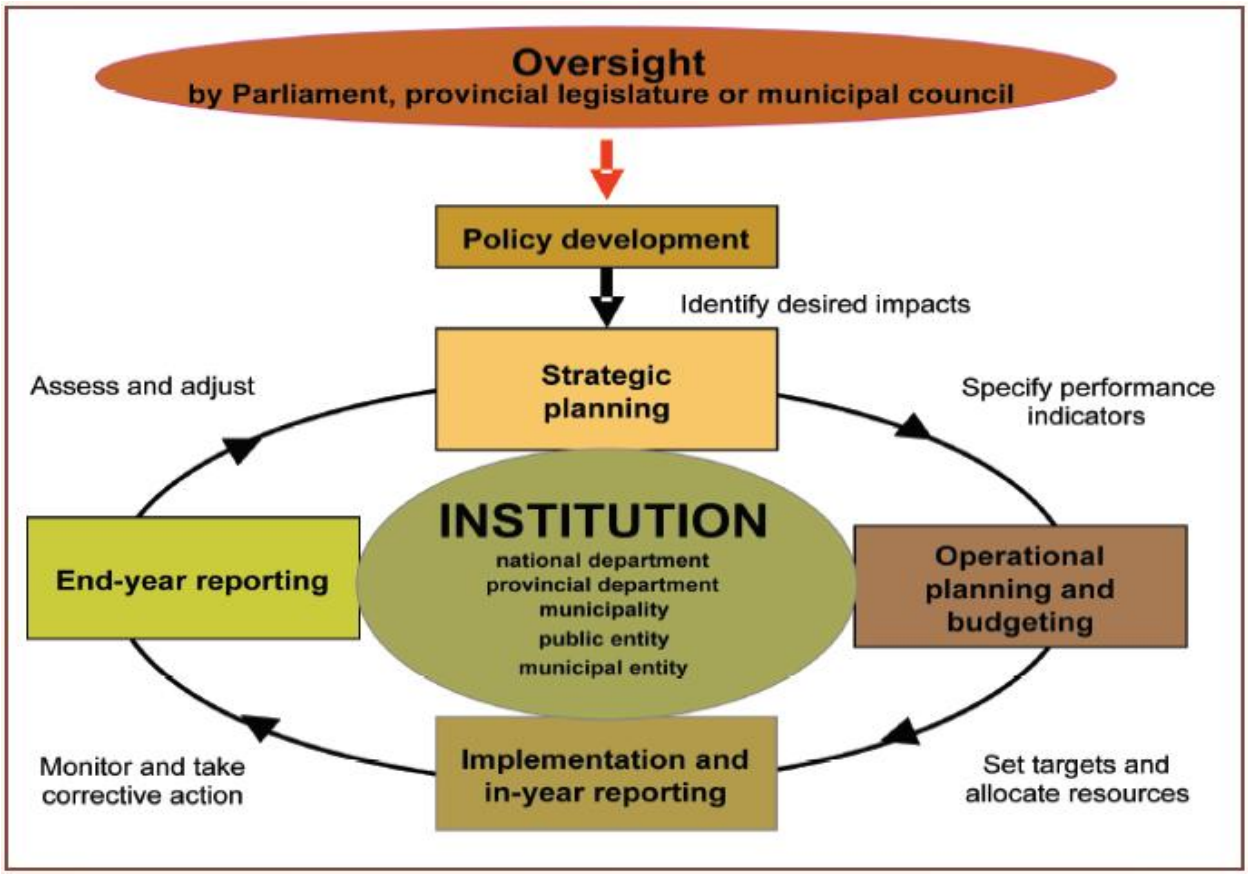


Figure 1 Planning, budgeting and reporting cycle

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the ***Framework of Managing Programme Performance Information*** issued by the National Treasury:

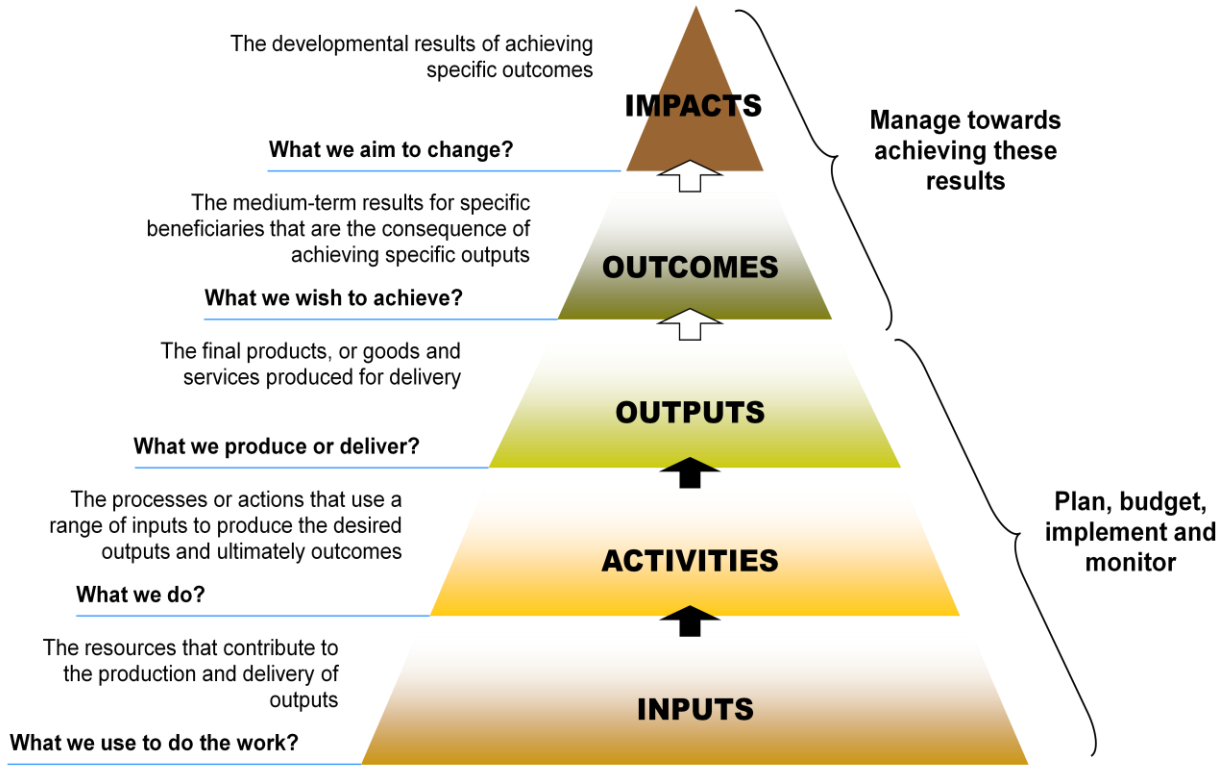


Figure 2 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year

2.4 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

The purpose of these policies is to prescribe the accounting and administrative and procedures relating to Emakhazeni Municipality.

The Municipality performs the procedures set out in the policies to ensure the effective planning and sound financial management

1. **Debt Management Policy** - The implementation of this policy should be based on sound business practices. This includes credit worthiness checks when application for services is made, as well as debt collection through sanctions of warnings, disconnections, evictions and other legal processes.

2. **Supply Chain Management Policy** - The purpose of this manual is to prescribe the policies and procedures relating to Supply Chain Management of the Emakhazeni Municipality. The principles of this policy is to give effect to a fair, equitable, transparent, competitive and cost-effective system for the procuring of goods and services, disposing of goods and selecting of contractors in the provision of municipal services.

3. **Budget Management Policy** - The purpose of this policy is to provide an overview of the procedure for the structural process of Planning and Managing the Budget. The procedures include the development of budgets, including the preparation of the budget, revision, approval, monitoring and evaluation of budgetary performance for a financial year.

4. **Indigent Policy** - to provide access and regulate free basic services to all indigent households.

5. **Tariff Policy** –the purpose of this policy is to determine the tariffs which must be charged for the supply of the four major services, which are : water, electricity, sewerage & refuse.

6. **Property Rates Policy** – the purpose of this policy is to assist the municipality to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the nation and which takes account of historical imbalances and the burden of rates on the poor. It be noted that the municipality is working on final draft.

7. **Asset Management Policy** – this policy provide guidelines on the management of assets. It must however be noted that the final policy which is GRAP compliant will be provided with the final approved budget as it is still work in progress.

8. **Banking and investment policy** – this policy prescribes for the management of cash and the investing of municipal money.
9. **Borrowing policy** – no policy in place.

10. **Funding & reserves policy** – no policy in place, the municipality does not have reserves at the moment.

2.5 Overview of budget assumptions

2.51 External factors

We will further investigate the following during our public participation process as well as per internal research and take the following into consideration:

- Confirm the labour (i.e. the wage agreements with unions) and other input costs of services provided by the municipality or entity,
- Ensure the need to ensure financial sustainability,
- Reconsider the local economic conditions and the affordability of services,
- Taking into consideration the municipality's indigent policy.
- We also considered relevant policy developments in the different sectors.
- In considering changes in property rates, the municipality took cognizance of local economic conditions such as the down turn in the property market, trends in household incomes and unemployment. Excessive increases in property rates and other tariffs are likely to be counterproductive, resulting in higher levels of non-payment and increased bad debts.

Headline inflation forecasts:

Fiscal year	**2010/11**	**2011/12**	**2012/13**	**2013/14**	**2014/15**	**2015/16**
	Actual		**Estimate**	**Forecast**	**Forecast**	**Forecast**
Real GDP growth	3.4	3.1	2.5	3.0	3.6	3.8
CPI Inflation	3.8 %	5.6%	5.6%	5.6%	5.4%	5.4%

Source: Budget Review 2013

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2013/14 MTREF:

- National Government macro economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration. The multi-year Salary and Wage Collective Agreement for the period 1 July 2012 to 30 June 2015 has been taken into consideration. The agreement provides for a wage increase based on the average CPI for the period 1 February 2012 until 31 January 2013, plus 1.25 per cent for the 2013/14 financial year. Hence 6.85% increase was provided for in the budget.

2.6 Overview of Budget Funding

MP314 Emakhazeni - Table A1 Consolidated Budget Summary

Description	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Financial Performance										
Property rates	11,006	16,162	19,682	23,520	29,394	29,394	29,394	32,634	34,266	35,979
Service charges	37,127	47,717	53,638	59,196	63,211	63,211	63,211	68,756	72,193	75,803
Investment revenue	133	23	104	36	363	363	363	381	400	420
Transfers recognised - operational	24,137	29,844	34,350	38,948	39,328	39,328	39,328	41,975	44,990	51,235
Other own revenue	6,671	11,281	13,414	20,092	13,189	13,189	13,189	13,382	14,051	14,754
Total Revenue (excluding capital transfers and contributions)	79,073	105,027	121,189	141,792	145,485	145,485	145,485	157,128	165,900	178,191

MBRR Table SA 18 - Capital transfers and grant receipts

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
National Government:		5,894	7,762	8,516	15,929	16,309	–	16,322	17,242	18,213
Municipal Infrastructure Grant (MIG)		5,894	7,762	8,516	15,929	15,929		16,322	17,242	18,213
MIG ROLLOVER						380				
Provincial Government:		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	5,894	7,762	8,516	15,929	16,309	–	16,322	17,242	18,213
TOTAL RECEIPTS OF TRANSFERS & GRANTS		30,031	37,621	42,851	54,877	55,257	–	58,297	62,232	69,448

MP314 Emakhazeni - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		54 804	75 160	86 734	102 808	103 678	103 678	103 678	114 773	120 386	126 535
Government - operating	1	24 137	29 844	34 350	38 948	39 328	39 328	39 328	41 975	44 990	51 235
Government - capital	1	5 894	7 762	8 515	15 929	15 929	15 929	15 929	16 322	17 242	18 213
Interest		133	23	104	36	363	363	363	381	400	420
Dividends											
Payments											
Suppliers and employees		(86 891)	(217 216)	(178 336)	(136 158)	(137 908)	(137 908)	(137 908)	(156 221)	(172 841)	(186 668)
Finance charges		(533)	(140)	(42)	(619)	–	–	–	–	–	–
Transfers and Grants	1	(1 877)	(2 040)	(3 363)	(19 229)	(19 609)	(19 609)	(19 609)	(3 440)	(2 734)	(2 917)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(4 333)**	**(106 608)**	**(52 036)**	**1 714**	**1 781**	**1 781**	**1 781**	**13 790**	**7 444**	**6 818**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									1 000	–	–
Decrease (Increase) in non-current debtors									36 000	48 000	16 000
Decrease (increase) other non-current receivables									(33 561)	–	–
Decrease (increase) in non-current investments											
Payments											
Capital assets									(17 229)	(17 242)	(18 213)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(13 790)**	**30 758**	**(2 213)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing											
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**(4 333)**	**(106 608)**	**(52 036)**	**1 714**	**1 781**	**1 781**	**1 781**	**0**	**38 202**	**4 605**
Cash/cash equivalents at the year begin:	2		**(4 333)**	**(110 941)**				**–**	**2 750**	**2 750**	**40 952**
Cash/cash equivalents at the year end:	2	**(4 333)**	**(110 941)**	**(162 978)**	**1 714**	**1 781**	**1 781**	**1 781**	**2 750**	**40 952**	**45 557**

MP314 Emakhazeni - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash and investments available											
Cash/cash equivalents at the year end	1	(4 333)	(110 941)	(162 978)	1 714	1 781	1 781	1 781	2 750	40 952	45 557
Other current investments > 90 days		(6 999)	109 789	166 003	(1 619)	(1 685)	(1 685)	(1 685)	125	(37 932)	(42 386)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**(11 332)**	**(1 152)**	**3 025**	**96**	**96**	**96**	**96**	**2 875**	**3 020**	**3 171**
Application of cash and investments											
Unspent conditional transfers		6 996	6 537	11 448	5 000	5 000	5 000	5 000	–	–	–
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2										
Other working capital requirements	3	(54 247)	29 644	44 981	(71 380)	(69 702)	(69 702)	(69 702)	(60 991)	(51 492)	(5 331)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		**(47 251)**	**36 181**	**56 429**	**(66 380)**	**(64 702)**	**(64 702)**	**(64 702)**	**(60 991)**	**(51 492)**	**(5 331)**
Surplus(shortfall)		**35 920**	**(37 334)**	**(53 403)**	**66 476**	**64 798**	**64 798**	**64 798**	**63 866**	**54 512**	**8 502**

MP314 Emakhazeni Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	(4 333)	(110 941)	(162 978)	1 714	1 781	1 781	1 781	2 750	40 952	45 557
Cash + investments at the yr end less applications - R'000	18(1)b	2	35 920	(37 334)	(53 403)	66 476	64 798	64 798	64 798	63 866	54 512	8 502
Cash year end/monthly employee/supplier payments	18(1)b	3	(0.8)	(8.7)	(17.9)	0.2	0.2	0.2	0.2	0.2	3.3	3.5
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	1 561	(98 847)	(43 521)	5 269	(41 571)	(41 571)	(41 571)	(42 328)	(42 546)	(40 615)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	26.7%	8.8%	6.8%	6.0%	(6.0%)	(6.0%)	3.5%	(1.0%)	(1.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	100.0%	100.0%	100.0%	100.0%	98.0%	98.0%	98.0%	100.0%	99.9%	100.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	93.1%	10.9%	2.8%	9.1%	9.1%	9.1%	8.5%	8.5%	8.5%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	94.8%	94.8%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								357.2%	360.9%	381.3%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(69.1%)	4.1%	300.3%	0.0%	0.0%	0.0%	12.7%	(37.0%)	(77.6%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

MP314 Emakhazeni - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank					21	21		2,798	2,938	3,085
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	–	–	–	**21**	**21**	–	**2,798**	**2,938**	**3,085**
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		–	–	–	–	–	–	–	–	–
Consolidated total:		–	–	–	**21**	**21**	–	**2,798**	**2,938**	**3,085**

2.7 *Expenditure on grants and reconciliations of unspent funds*

MP314 Emakhazeni - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**23,887**	**29,859**	**34,335**	**38,948**	**38,948**	**38,948**	**41,975**	**44,990**	**51,235**
Local Government Equitable Share		22,224	28,324	31,562	35,648	35,648	35,648	38,535	42,256	48,318
Finance Management		935	1,000	1,250	1,500	1,500	1,500	1,550	1,800	1,950
Municipal Systems Improvement		727	535	790	800	800	800	890	934	967
Integrated National Electrification Programme				342	–	–	–			
EPWP Incentive				391	1,000	1,000	1,000	1,000		
						–	–			
Provincial Government:		–	–	–	–	–	–	–	–	–
0										
District Municipality:		**250**	–	–	–	–	–	–	–	–
DSCR		250								
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total Operating Transfers and Grants	5	**24,137**	**29,859**	**34,335**	**38,948**	**38,948**	**38,948**	**41,975**	**44,990**	**51,235**
Capital Transfers and Grants										
National Government:		**5,894**	**7,762**	**8,516**	**15,929**	**16,309**	**16,309**	**16,322**	**17,242**	**18,213**
Municipal Infrastructure Grant (MIG)		5,894	7,762	8,516	15,929	15,929	15,929	16,322	17,242	18,213
MIG ROLLOVER						380	380			
Provincial Government:		–	–	–	–	–	–	–	–	–
Other capital transfers/grants [insert description]										
District Municipality:		–	–	–	–	–	–	–	–	–
DSCR										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total Capital Transfers and Grants	5	**5,894**	**7,762**	**8,516**	**15,929**	**16,309**	**16,309**	**16,322**	**17,242**	**18,213**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**30,031**	**37,621**	**42,851**	**54,877**	**55,257**	**55,257**	**58,297**	**62,232**	**69,448**

MP314 Emakhazeni - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		**23,887**	**29,859**	**34,335**	**38,150**	**38,150**	**–**	**41,975**	**44,990**	**51,235**
Local Government Equitable Share		22,224	28,324	31,562	35,648	35,648		38,535	42,256	48,318
Finance Management		935	1,000	1,250	1,002	1,002		1,550	1,800	1,950
Municipal Systems Improvement		727	535	790	800	800		890	934	967
Integrated National Electrification Programme				342	–	–				
EPWP Incentive				391	700	700		1,000		
0										
Provincial Government:		**250**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
0		250	–							
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
DSCR										
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Total operating expenditure of Transfers and Grants		**24,137**	**29,859**	**34,335**	**38,150**	**38,150**	**–**	**41,975**	**44,990**	**51,235**
Capital expenditure of Transfers and Grants										
National Government:		**901**	**5,894**	**8,516**	**5,975**	**5,975**	**–**	**16,322**	**17,242**	**18,213**
Municipal Infrastructure Grant (MIG)		901	5,894	8,516	5,975	5,975		16,322	17,242	18,213
MIG ROLLOVER										
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Other capital transfers/grants [insert description]										
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
DSCR										
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Total capital expenditure of Transfers and Grants		**901**	**5,894**	**8,516**	**5,975**	**5,975**	**–**	**16,322**	**17,242**	**18,213**
TOTAL EXPENDITURE OF TRANSFERS AND GRANT		**25,038**	**35,754**	**42,851**	**44,125**	**44,125**	**–**	**58,297**	**62,232**	**69,448**

MP314 Emakhazeni - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		30,031	37,621	42,851	54,877	55,257	55,257	58,297	62,232	69,448
Current year receipts										
Conditions met - transferred to revenue		**30,031**	**37,621**	**42,851**	**54,877**	**55,257**	**55,257**	**58,297**	**62,232**	**69,448**
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		**30,031**	**37,621**	**42,851**	**54,877**	**55,257**	**55,257**	**58,297**	**62,232**	**69,448**
Total operating transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		5,894	7,762	8,516	15,929	15,929	15,929	16,322	17,242	18,213
Current year receipts										
Conditions met - transferred to revenue		**5,894**	**7,762**	**8,516**	**15,929**	**15,929**	**15,929**	**16,322**	**17,242**	**18,213**
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		**5,894**	**7,762**	**8,516**	**15,929**	**15,929**	**15,929**	**16,322**	**17,242**	**18,213**
Total capital transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		**35,926**	**45,382**	**51,367**	**70,806**	**71,186**	**71,186**	**74,619**	**79,474**	**87,661**
TOTAL TRANSFERS AND GRANTS - CTBM		–	–	–	–	–	–	–	–	–

2.8 Councillor And Employee Benefits Can be viewed in SA 22& 23 together with the summary of the personnel numbers in SA24

MP314 Emakhazeni - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		1,867	1,944	3,889	3,956	4,114		2,970	3,119	3,274
Pension and UIF Contributions		240	269	368	366	366		405	425	447
Medical Aid Contributions		59	55	–	–			207	218	229
Motor Vehicle Allowance				–	–					
Cellphone Allowance				–	–					
Housing Allowances				–	–					
Other benefits and allowances		1,321	1,143					1,171	1,230	1,291
Sub Total - Councillors		**3,488**	**3,411**	**4,256**	**4,322**	**4,480**	**–**	**4,754**	**4,992**	**5,241**
% increase	4		**(2.2%)**	**24.8%**	**1.5%**	**3.7%**	**(100.0%)**	**–**	**5.0%**	**5.0%**
Senior Managers of the Municipality	2									
Basic Salaries and Wages		751	1,700	1,588	2,358	2,358		2,127	2,233	2,345
Pension and UIF Contributions		215	374	404	519	519		468	491	516
Medical Aid Contributions		30	54	55	82	82		159	167	175
Overtime					–	–				
Performance Bonus										
Motor Vehicle Allowance	3				–	–				
Cellphone Allowance	3		355	404	447	447		177	186	195
Housing Allowances	3	434	806	826	746	746		688	722	758
Other benefits and allowances	3	23	16	17	12	12		8	9	9
Payments in lieu of leave		–	–					–		
Long service awards		–	–					–		
Post-retirement benefit obligations	6	–	–					–		
Sub Total - Senior Managers of Municipality		**1,453**	**3,306**	**3,294**	**4,163**	**4,163**	**–**	**3,627**	**3,809**	**3,999**
% increase	4		**127.6%**	**(0.4%)**	**26.4%**	**–**	**(100.0%)**	**–**	**5.0%**	**5.0%**
Other Municipal Staff										
Basic Salaries and Wages		20,422	31,041	26,305	37,334	38,005		40,799	42,839	44,981
Pension and UIF Contributions		4,437	6,306	6,064	7,651	7,283		8,802	9,242	9,704
Medical Aid Contributions		1,014	1,011	1,784	2,521	2,943		2,979	3,128	3,284
Overtime		2,818	3,351	2,657	2,982	427		3,213	3,373	3,542
Performance Bonus		1,659	2,291	2,263	3,362	–		1,728	1,814	1,905
Motor Vehicle Allowance	3			4,064	427	6		5,674	5,958	6,256
Cellphone Allowance	3	–	–		11	2,757		189	199	208
Housing Allowances	3	68	66	57	6	2,673		56	59	62
Other benefits and allowances	3	34	41	3,053	3,611	3,702		3,644	3,826	4,017
Payments in lieu of leave				560	–			–		
Long service awards					–		–	–		
Post-retirement benefit obligations	6	–	–		–		–	–		
Sub Total - Other Municipal Staff		**30,453**	**44,108**	**46,807**	**57,904**	**57,795**	**–**	**67,084**	**70,438**	**73,960**
% increase	4		**44.8%**	**6.1%**	**23.7%**	**(0.2%)**	**(100.0%)**	**–**	**5.0%**	**5.0%**
Total Parent Municipality		**35,393**	**50,825**	**54,358**	**66,389**	**66,439**	**–**	**75,465**	**79,238**	**83,200**
			43.6%	**7.0%**	**22.1%**	**0.1%**	**(100.0%)**	**–**	**5.0%**	**5.0%**
TOTAL SALARY, ALLOWANCES & BENEFITS		**35,393**	**50,825**	**54,358**	**66,389**	**66,439**	**–**	**75,465**	**79,238**	**83,200**
% increase	4		**43.6%**	**7.0%**	**22.1%**	**0.1%**	**(100.0%)**	**–**	**5.0%**	**5.0%**
TOTAL MANAGERS AND STAFF	5,7	**31,906**	**47,414**	**50,101**	**62,068**	**61,959**	**–**	**70,711**	**74,247**	**77,959**

MP314 Emakhazeni - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior man

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		320,359	43,523	169,764			533,646
Chief Whip								–
Executive Mayor			367,361	88,444	205,987			661,792
Deputy Executive Mayor								–
Executive Committee			909,969	195,236	399,625			1,504,830
Total for all other councillors			1,372,313	285,301	395,967			2,053,581
Total Councillors	8	–	**2,970,002**	**612,504**	**1,171,343**			**4,753,849**
Senior Managers of the Municipa	5							
Municipal Manager (MM)			475,192	138,976	209,991	39,599		863,758
Chief Finance Officer			512,832	132,341	–	42,736		687,909
								–
List of each offical with packages >= senior manager								
								–
MANAGER CORPORATE SERVICES			396,256	127,087	133,871	33,021		690,235
MANAGER TECHNICAL SERVICES			367,379	115,242	174,131	30,615		687,367
MANAGER COMMUNITY SERVICES			375,371	121,438	169,958	31,281		698,048
								–
								–
								–
ALL OTHER EMPLOYEES			40,799,094	17,210,342	5,674,327	3,399,924		67,083,687
Total Senior Managers of the Mu	8,10	–	**42,926,124**	**17,845,426**	**6,362,278**	**3,577,176**		**70,711,004**
A Heading for Each Entity	6,7							
List each member of board by designation								
Total for municipal entities	8,10	–	–	–	–	–		–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	**45,896,126**	**18,457,930**	**7,533,621**	**3,577,176**		**75,464,853**

MP314 Emakhazeni - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2011/12			Current Year 2012/13			Budget Year 2013/14		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		13		13	15		15	15		15
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	5		5	5		5	5		5
Other Managers	7	15	15		16	16		19	19	
Professionals		*20*	*20*	–	*27*	*27*	–	*29*	*29*	–
Finance		3	3		5	5	–	4	4	–
Spatial/town planning								1	1	
Information Technology								2	2	
Roads										
Electricity		5	5		8	8	–	6	6	–
Water										
Sanitation										
Refuse								2	2	
Other		12	12		14	14	–	14	14	–
Technicians		*74*	*74*	–	*80*	*80*	–	*76*	*76*	–
Finance				–			–			–
Spatial/town planning		2	2		4	4				
Information Technology				–			–	1	1	–
Roads		5	5		8	8				
Electricity				–			–			–
Water				–			–			–
Sanitation				–			–			–
Refuse				–			–			–
Other		67	67		68	68		75	75	
Clerks (Clerical and administrative)										
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		32	32		29	29		32	32	
Elementary Occupations		217	217		221	221		221	221	
TOTAL PERSONNEL NUMBERS	9	**376**	**358**	**18**	**393**	**373**	**20**	**397**	**377**	**20**
% increase					4.5%	4.2%	11.1%	1.0%	1.1%	–
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

2.9 Monthly Targets For Revenue, Expenditure And Cash Can *be viewed in SA25, SA26, SA27,SA29 and SA30*

MP314 Emakhazeni - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source																
Property rates		9,797	1,689	1,877	2,835	1,826	1,951	2,480	1,388	1,388	1,388	1,388	4,627	32,634	34,266	35,979
Property rates - penalties & collection charges		–	–	–	–	–	–	–					–	–	–	–
Service charges - electricity revenue		3,729	3,800	3,270	3,127	2,971	3,000	2,816	3,176	3,176	3,176	3,176	5,877	41,291	43,355	45,523
Service charges - water revenue		1,230	890	987	799	810	916	953	758	758	758	758	2,034	11,653	12,236	12,848
Service charges - sanitation revenue		608	607	600	603	659	603	601	550	550	550	550	1,323	7,805	8,195	8,605
Service charges - refuse revenue		627	530	619	623	629	624	627	587	587	587	587	1,380	8,007	8,407	8,827
Service charges - other		–	–	–	–	–	–	–					–	–	–	–
Rental of facilities and equipment		27	36	44	40	49	50	45	62	62	62	62	35	574	603	633
Interest earned - external investments		–	–	–	–	18	181	–	33	33	33	33	51	381	400	420
Interest earned - outstanding debtors		–	–	–	–	–	–	–					–	–	–	–
Dividends received		–	–	–	–	–	–	–					–	–	–	–
Fines		34	34	34	34	34	34	34	34	34	34	34	233	601	631	663
Licences and permits		34	34	34	34	34	34	34	34	34	34	34	28	400	420	441
Agency services		–	–	108	201	178	–	–	131	131	131	131	99	1,109	1,164	1,223
Transfers recognised - operational		1,550	16,161	–		166	12,017	–		12,081			–	41,975	44,990	51,235
Other revenue		125	163	214	146	99	219	77	1,891	1,891	1,891	1,891	2,093	10,699	11,234	11,795
Gains on disposal of PPE													–	–	–	–
Total Revenue (excluding capital transfers and cont		**17,761**	**23,943**	**7,788**	**8,442**	**7,471**	**19,628**	**7,666**	**8,642**	**20,723**	**8,642**	**8,642**	**17,781**	**157,128**	**165,900**	**178,191**
Expenditure By Type																
Employee related costs		4,412	4,833	4,471	4,581	4,661	4,707	4,949	632	632	632	632	35,570	70,713	74,249	77,961
Remuneration of councillors		354	354	354	354	354	471	374	373	373	373	373	647	4,754	4,992	5,241
Debt impairment		–	–	–	–	–	–	–					8,670	8,670	9,104	9,559
Depreciation & asset impairment		–	–	–	–	–	–	–					49,980	49,980	52,479	55,103
Finance charges													–	–	–	–
Bulk purchases		4,239	4,771	58	5,319	2,110	44	2,086	3,271	3,271	3,271	3,271	6,020	37,729	39,615	41,596
Other materials		34	607	669	378	332	533	853	1,002	1,002	1,002	1,002	1,811	9,224	9,685	10,169
Contracted services		81	388	403	1,088	375	730	1,547	197	197	197	197	244	5,643	5,925	6,221
Transfers and grants		33	550	450	312	512	1,805	1,037	2,982	2,982	2,982	2,982	(16,627)	–	–	–
Other expenditure		211	1,194	894	1,109	2,298	2,217	1,474	2,996	2,996	2,996	2,996	7,684	29,066	29,641	31,169
Loss on disposal of PPE									–		–	–	–	–	–	–
Total Expenditure		**9,363**	**12,697**	**7,299**	**13,142**	**10,641**	**10,507**	**12,321**	**11,452**	**11,452**	**11,452**	**11,452**	**93,998**	**215,778**	**225,689**	**237,019**
Surplus/(Deficit)		**8,397**	**11,246**	**488**	**(4,700)**	**(3,170)**	**9,121**	**(4,655)**	**(2,810)**	**9,271**	**(2,810)**	**(2,810)**	**(76,217)**	**(58,650)**	**(59,788)**	**(58,828)**
Transfers recognised - capital		656				8,498				7,168			–	16,322	17,242	18,213
Contributions recognised - capital													–	–	–	–
Contributed assets													–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**9,053**	**11,246**	**488**	**(4,700)**	**5,328**	**9,121**	**(4,655)**	**(2,810)**	**16,439**	**(2,810)**	**(2,810)**	**(76,217)**	**(42,328)**	**(42,546)**	**(40,615)**
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	**9,053**	**11,246**	**488**	**(4,700)**	**5,328**	**9,121**	**(4,655)**	**(2,810)**	**16,439**	**(2,810)**	**(2,810)**	**(76,217)**	**(42,328)**	**(42,546)**	**(40,615)**

MP314 Emakhazeni - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote																
Vote 1 - EXECUTIVE & COUNCIL		11,397	17,850	1,877	2,839	1,880	13,571	2,481	1,667	13,328	1,667	1,667	19,813	90,037	96,609	105,544
Vote 2 - FINANCE & ADMIN		32	50	53	53	53	44	44	44	44	44	44	3,455	3,955	4,153	4,361
Vote 3 - PLANNING & DEVELOPMENT		26	9	32	19	185	176	7	167	167	167	167	437	1,558	586	615
Vote 4 - HEALTH		–											–	–	–	–
Vote 5 - COMMUNITY & SOCIAL SERVICES		5	3	7	5	4	3	3	5	5	5	5	16	68	72	75
Vote 6 - PUBLIC SAFETY		95	3		88	17	19	38		20			20	300	315	331
Vote 7 - SPORT &RECREATION		2	2	9	6	12	20	14	24	24	24	24	13	174	183	192
Vote 8 - WASTE MANAGEMENT		628	530	619	623	629	625	603	596	596	596	596	1,388	8,030	8,431	8,853
Vote 9 - WASTE WATER MANAGEMENT		611	609	602	603	659	605	633	548	548	548	548	1,321	7,834	8,225	8,637
Vote 10 - ROAD TRANSPORT		7	66	258	217	211	584	28	1,322	1,522	1,322	1,322	1,026	7,885	8,280	8,694
Vote 11 - WATER		1,230	891	989	802	810	917	954	1,064	1,064	1,064	1,064	828	11,679	12,263	12,876
Vote 12 - ELECTRICITY		3,729	3,930	3,342	3,188	3,011	3,065	2,863	3,205	3,405	3,205	3,205	5,784	41,930	44,026	46,228
Vote 13 - OTHER													–	–	–	–
Vote 14 -													–	–	–	–
Vote 15 -													–	–	–	–
Total Revenue by Vote		**17,761**	**23,943**	**7,788**	**8,442**	**7,471**	**19,628**	**7,666**	**8,642**	**20,723**	**8,642**	**8,642**	**34,102**	**173,450**	**183,142**	**196,404**
Expenditure by Vote to be appropriated																
Vote 1 - EXECUTIVE & COUNCIL		923	2,054	1,505	1,633	1,606	3,143	2,429	2,891	2,891	2,891	2,891	2,193	27,051	28,576	30,051
Vote 2 - FINANCE & ADMIN		1,369	1,708	1,712	2,214	2,317	2,741	2,835	2,554	2,554	2,554	2,554	55,936	81,050	85,102	89,357
Vote 3 - PLANNING & DEVELOPMENT		593	739	633	754	690	836	696	1,069	1,069	1,069	1,069	5,713	14,931	14,627	15,358
Vote 4 - HEALTH		106	108	106	107	107	107	107	125	125	125	125	3	1,252	1,315	1,380
Vote 5 - COMMUNITY & SOCIAL SERVICES		182	182	182	182	182	182	215	215	215	215	215	(48)	2,121	2,228	2,339
Vote 6 - PUBLIC SAFETY		76	107	101	97	148	134	108	172	172	172	172	429	1,887	1,981	2,080
Vote 7 - SPORT &RECREATION		234	264	281	252	302	339	296	137	137	137	137	1,691	4,208	4,419	4,640
Vote 8 - WASTE MANAGEMENT		387	689	455	500	456	502	491	884	884	884	884	1,817	8,830	9,271	9,735
Vote 9 - WASTE WATER MANAGEMENT		286	387	424	442	335	424	415	577	577	577	577	813	5,833	6,125	6,431
Vote 10 - ROAD TRANSPORT		553	764	529	865	755	827	586	1,060	1,060	1,060	1,060	5,611	14,731	15,467	16,240
Vote 11 - WATER		193	361	488	349	703	563	854	830	830	830	830	492	7,323	7,689	8,074
Vote 12 - ELECTRICITY		4,420	5,286	831	5,693	3,000	659	3,021	876	876	876	876	18,962	45,376	47,644	50,027
Vote 13 - OTHER		40	47	52	54	40	48	269	61	61	61	61	390	1,185	1,244	1,306
Vote 14 -													–	–	–	–
Vote 15 -													–	–	–	–
Total Expenditure by Vote		**9,363**	**12,697**	**7,299**	**13,142**	**10,641**	**10,507**	**12,321**	**11,452**	**11,452**	**11,452**	**11,452**	**94,001**	**215,778**	**225,689**	**237,019**
Surplus/(Deficit) before assoc.		**8,398**	**11,246**	**489**	**(4,700)**	**(3,170)**	**9,121**	**(4,655)**	**(2,810)**	**9,271**	**(2,810)**	**(2,810)**	**(59,899)**	**(42,328)**	**(42,546)**	**(40,615)**
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	**8,398**	**11,246**	**489**	**(4,700)**	**(3,170)**	**9,121**	**(4,655)**	**(2,810)**	**9,271**	**(2,810)**	**(2,810)**	**(59,899)**	**(42,328)**	**(42,546)**	**(40,615)**

MP314 Emakhazeni - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard																
Governance and administration		11,429	17,900	1,930	2,892	1,933	13,615	2,524	1,711	13,372	1,711	1,711	23,267	93,993	100,762	109,905
Executive and council		11,397	17,850	1,877	2,839	1,880	13,571	2,481	1,667	13,328	1,667	1,667	19,813	90,037	96,609	105,544
Budget and treasury office		32	50	53	53	53	44	44	44	44	44	44	3,455	3,955	4,153	4,361
Corporate services													–	–	–	–
Community and public safety		102	8	16	100	33	42	54	30	50	30	30	50	542	570	598
Community and social services		5	3	7	5	4	3	3	5	5	5	5	16	68	72	75
Sport and recreation		2	2	9	6	12	20	14	24	24	24	24	13	174	183	192
Public safety		95	3		88	17	19	38		20			20	300	315	331
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		33	75	290	236	396	760	35	1,489	1,689	1,489	1,489	1,464	9,443	8,865	9,308
Planning and development		26	9	32	19	185	176	7	167	167	167	167	437	1,558	586	615
Road transport		7	66	258	217	211	584	28	1,322	1,522	1,322	1,322	1,026	7,885	8,280	8,694
Environmental protection													–	–	–	–
Trading services		6,198	5,960	5,552	5,215	5,110	5,212	5,053	5,413	5,613	5,413	5,413	9,321	69,472	72,945	76,593
Electricity		3,729	3,930	3,342	3,188	3,011	3,065	2,863	3,205	3,405	3,205	3,205	5,784	41,930	44,026	46,228
Water		1,230	891	989	802	810	917	954	1,064	1,064	1,064	1,064	828	11,679	12,263	12,876
Waste water management		628	530	619	623	629	625	603	596	596	596	596	1,192	7,834	8,225	8,637
Waste management		611	609	602	603	659	605	633	548	548	548	548	1,517	8,030	8,431	8,853
Other													–	–	–	–
Total Revenue - Standard		17,761	23,943	7,788	8,442	7,471	19,628	7,666	8,642	20,723	8,642	8,642	34,102	173,450	183,142	196,404
Expenditure - Standard																
Governance and administration		3,841	3,841	3,841	3,841	3,841	11,779	11,779	11,779	11,779	11,779	11,779	34,549	124,423	130,920	137,621
Executive and council		3,633	3,633	3,633	3,633	3,633	3,633	3,633	3,633	3,633	3,633	3,633	3,416	43,373	45,818	48,264
Budget and treasury office		7	7	7	7	7	7,137	7,137	7,137	7,137	7,137	7,137	28,165	71,023	74,574	78,303
Corporate services		201	201	201	201	201	1,009	1,009	1,009	1,009	1,009	1,009	2,968	10,027	10,528	11,055
Community and public safety		1,805	1,805	1,805	1,613	1,613	1,613	1,613	2,024	2,024	2,024	2,024	(10,494)	9,468	9,942	10,439
Community and social services		779	779	779	588	588	588	588	588	588	588	588	(4,916)	2,121	2,228	2,339
Sport and recreation		546	546	546	546	546	546	546	765	765	765	765	(2,676)	4,208	4,419	4,640
Public safety		223	223	223	223	223	223	223	312	312	312	312	(920)	1,887	1,981	2,080
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		257	257	257	257	257	257	257	359	359	359	359	(1,982)	1,252	1,315	1,380
Economic and environmental services		605	605	605	605	605	605	605	4,234	4,234	4,234	4,234	8,492	29,661	30,094	31,599
Planning and development		310	310	310	310	310	310	310	2,171	2,171	2,171	2,171	4,074	14,931	14,627	15,358
Road transport		295	295	295	295	295	295	295	2,063	2,063	2,063	2,063	4,417	14,731	15,467	16,240
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		1,822	1,822	1,822	1,822	1,822	1,822	1,822	12,755	12,755	12,755	12,755	3,588	67,362	70,730	74,267
Electricity		1,208	1,208	1,208	1,208	1,208	1,208	1,208	8,456	8,456	8,456	8,456	3,095	45,376	47,644	50,027
Water		221	221	221	221	221	221	221	1,548	1,548	1,548	1,548	(417)	7,323	7,689	8,074
Waste water management		160	160	160	160	160	160	160	1,120	1,120	1,120	1,120	235	5,833	6,125	6,431
Waste management		233	233	233	233	233	233	233	1,631	1,631	1,631	1,631	675	8,830	9,271	9,735
Other		20	20	20	20	20	20	20	142	142	142	142	475	1,185	1,244	1,306
Total Expenditure - Standard		8,093	8,093	8,093	7,901	7,901	15,839	15,839	30,933	30,933	30,933	30,933	36,610	232,100	242,931	255,232
Surplus/(Deficit) before assoc.		9,668	15,850	(305)	541	(430)	3,789	(8,173)	(22,291)	(10,210)	(22,291)	(22,291)	(2,508)	(58,650)	(59,788)	(58,828)
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	9,668	15,850	(305)	541	(430)	3,789	(8,173)	(22,291)	(10,210)	(22,291)	(22,291)	(2,508)	(58,650)	(59,788)	(58,828)

MP314 Emakhazeni - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Multi-year expenditure *to be appropriated*	1															
Capital multi-year expenditure sub-total	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Single-year expenditure *to be appropriated*																
Vote 1 - EXECUTIVE & COUNCIL		1,418	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415	967	16,532	17,463	18,445
Vote 2 - FINANCE & ADMIN		5	5	5	5	5	5	5	5	5	5	5	5	61	64	67
Vote 3 - PLANNING & DEVELOPMENT		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - HEALTH		0	2	2	2	2	2	2	2	2	2	2	4	25	26	28
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - PUBLIC SAFETY		0	6	6	6	6	6	6	6	6	6	6	11	71	75	79
Vote 7 - SPORT &RECREATION		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - WASTE MANAGEMENT		0	1	1	1	1	1	1	1	1	1	1	2	15	16	17
Vote 9 - WASTE WATER MANAGEMENT		1	9	9	9	9	9	9	9	9	9	9	(82)	12	12	13
Vote 10 - ROAD TRANSPORT		0	2	2	2	2	2	2	2	2	2	2	4	25	26	28
Vote 11 - WATER		1	17	17	17	17	17	17	17	17	17	17	33	204	214	225
Vote 12 - ELECTRICITY		2	22	22	22	22	22	22	22	22	22	22	42	265	279	293
Vote 13 - OTHER		1	7	7	7	7	7	7	7	7	7	7	(47)	19	20	21
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–											–	–	–	–
Capital single-year expenditure sub-total	2	1,428	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	939	17,229	18,195	19,213
Total Capital Expenditure	2	1,428	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	939	17,229	18,195	19,213

MP314 Emakhazeni - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital Expenditure - Standard	1															
Governance and administration		**1,419**	**1,419**	**1,419**	**1,419**	**1,419**	**1,419**	**1,419**	**1,419**	**1,419**	**1,419**	**1,419**	**979**	**16,593**	**17,526**	**18,512**
Executive and council		1,418	1,418	1,418	1,418	1,418	1,418	1,418	1,418	1,418	1,418	1,418	937	16,532	17,463	18,445
Budget and treasury office													41	41	43	45
Corporate services		2	2	2	2	2	2	2	2	2	2	2	2	20	21	22
Community and public safety		**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**	**96**	**101**	**106**
Community and social services													–	–	–	–
Sport and recreation													–	–	–	–
Public safety		6	6	6	6	6	6	6	6	6	6	6	6	71	75	79
Housing													–	–	–	–
Health		2	2	2	2	2	2	2	2	2	2	2	2	25	26	28
Economic and environmental services		**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**25**	**26**	**28**
Planning and development													–	–	–	–
Road transport		2	2	2	2	2	2	2	2	2	2	2	2	25	26	28
Environmental protection													–	–	–	–
Trading services		**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**(50)**	**496**	**521**	**547**
Electricity		22	22	22	22	22	22	22	22	22	22	22	22	265	279	293
Water		17	17	17	17	17	17	17	17	17	17	17	17	204	214	225
Waste water management		9	9	9	9	9	9	9	9	9	9	9	(91)	12	12	13
Waste management		1	1	1	1	1	1	1	1	1	1	1	1	15	16	17
Other		**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**7**	**(53)**	**19**	**20**	**21**
Total Capital Expenditure - Standard	2	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	886	17,229	18,195	19,213

MP314 Emakhazeni - Supporting Table SA30 Consolidated budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2013/14												Medium Term
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14
Cash Receipts By Source													1
Property rates	9,797	1,689	1,877	2,835	1,826	1,951	2,480	1,388	1,388	1,388	1,388	4,627	32,634
Property rates - penalties & collection charges	–	–	–	–	–	–	–					–	
Service charges - electricity revenue	3,729	3,800	3,270	3,127	2,971	3,000	2,816	3,176	3,176	3,176	3,176	5,877	41,291
Service charges - water revenue	1,230	890	987	799	810	916	953	758	758	758	758	2,034	11,653
Service charges - sanitation revenue	608	607	600	603	659	603	601	550	550	550	550	1,323	7,805
Service charges - refuse revenue	627	530	619	623	629	624	627	587	587	587	587	1,380	8,007
Service charges - other	–	–	–	–	–	–	–					–	
Rental of facilities and equipment	27	36	44	40	49	50	45	62	62	62	62	35	574
Interest earned - external investments	–	–	–	–	18	181	–	33	33	33	33	51	381
Interest earned - outstanding debtors												–	
Dividends received												–	
Fines	34	34	34	34	34	34	34	34	34	34	34	233	601
Licences and permits	34	34	34	34	34	34	34	34	34	34	34	28	400
Agency services	–	–	108	201	178	–	–	131	131	131	131	99	1,109
Transfer receipts - operational	1,550	16,161	–		166	12,017	–		12,081			–	41,975
Other revenue	125	163	214	146	99	219	77	1,891	1,891	1,891	1,891	2,093	10,699
Cash Receipts by Source	**17,761**	**23,943**	**7,788**	**8,442**	**7,471**	**19,628**	**7,666**	**8,642**	**20,723**	**8,642**	**8,642**	**17,781**	**157,128**
Other Cash Flows by Source													
Transfer receipts - capital	5,441				6,912				3,969			–	16,322
Contributions recognised - capital & Contributed assets												–	
Proceeds on disposal of PPE												–	
Short term loans												–	
Borrowing long term/refinancing												–	
Increase (decrease) in consumer deposits												–	
Decrease (Increase) in non-current debtors												–	
Decrease (increase) other non-current receivables												–	
Decrease (increase) in non-current investments												–	
Total Cash Receipts by Source	**23,202**	**23,943**	**7,788**	**8,442**	**14,383**	**19,628**	**7,666**	**8,642**	**24,693**	**8,642**	**8,642**	**17,781**	**173,450**
Cash Payments by Type													
Employee related costs	4,412	4,833	4,471	4,581	4,661	4,707	4,949	632	632	632	632	35,570	70,713
Remuneration of councillors	354	354	354	354	354	471	374	373	373	373	373	647	4,754
Finance charges												–	–
Bulk purchases - Electricity	4,239	4,771	58	5,319	2,110	44	2,086	3,271	3,271	3,271	3,271	6,020	37,729
Bulk purchases - Water & Sewer												–	
Other materials	34	607	669	378	332	533	853	1,002	1,002	1,002	1,002	1,811	9,224
Contracted services	81	388	403	1,088	375	730	1,547	197	197	197	197	244	5,643
Transfers and grants - other municipalities	33	550	450	312	512	1,805	1,037	2,982	2,982	2,982	2,982	(16,627)	
Transfers and grants - other												19,762	19,762
Other expenditure	211	1,194	894	1,109	2,298	2,217	1,474	2,996	2,996	2,996	2,996	62,894	84,276
Cash Payments by Type	**9,363**	**12,697**	**7,299**	**13,142**	**10,641**	**10,507**	**12,321**	**11,452**	**11,452**	**11,452**	**11,452**	**110,320**	**232,100**
Other Cash Flows/Payments by Type													
Capital assets												–	
Repayment of borrowing												–	
Other Cash Flows/Payments												–	
Total Cash Payments by Type	**9,363**	**12,697**	**7,299**	**13,142**	**10,641**	**10,507**	**12,321**	**11,452**	**11,452**	**11,452**	**11,452**	**110,320**	**232,100**
NET INCREASE/(DECREASE) IN CASH HELD	**13,838**	**11,246**	**488**	**(4,700)**	**3,742**	**9,121**	**(4,655)**	**(2,810)**	**13,240**	**(2,810)**	**(2,810)**	**(92,539)**	**(58,650)**
Cash/cash equivalents at the month/year begin:		13,838	25,084	25,572	20,872	24,614	33,734	29,080	26,269	39,510	36,699	33,889	–
Cash/cash equivalents at the month/year end:	13,838	25,084	25,572	20,872	24,614	33,734	29,080	26,269	39,510	36,699	33,889	(58,650)	(58,650)

2.9 Annual Budgets And SDBIPS– Internal Departments

Annual budget is attached as Annexure **D**. Explanatory notes on internal votes will be included in final approval of the budget.

FINANCIAL SERVICES DEPATRMENT:		
INTERNAL DEPARTMENT	**DESCRIPTION OF FUNCTIONS**	**MANAGEMENT STRUCTURE**
Supply Chain Management Unit. Budget and Reporting Office. Expenditure Management. Revenue Management.	The main objective for the Department of Finance is to sustain the success of the past and also to drill down deeper in resolving identified issues. The main focus in the past was overall prudent financial management. With those processes now in place senior management is focused on fine tuning all processes, hence the responsibility to: • To ensure compliance with legislative, reporting framework and prescribed accounting standards on budget, supply chain and financial statement • To build the capacity of municipality and to implement sound institutional and governance systems required in terms of local government legislations • To ensure Financial viability • To maximize revenue • To ensure accurate Financial Management • To ensure implementation of debt management and credit control policy • To manage and maintain all municipal assets to comply with GRAP 17 • To ensure efficient, effective cash flow management	This department is headed by the Chief Financial Officer, however the post is still vacant and the Acting Chief Financial Officer is Mr K. S. Mahlangu. The CFO is assisted by four divisional Deputy Managers who are heading the different divisions.
CORPORATE SERVICES DEPATRMENT:		
INTERNAL DEPARTMENT	**DESCRIPTION OF FUNCTIONS**	**MANAGEMENT STRUSCTURE**
Human Resources, Records, Logistics and Administration Legal Services	The sections are responsible for: • Provision and maintenance of human capital. • Staff termination of services (resignations, retirements, death, disciplinary, reasons	This department is headed by the Manager Corporate Services, Mrs T. S. Shoba. The manager is assisted by four divisional Deputy Managers who are managing the different divisions.

Labour Relations & Compliance	• etc.) • • Labour relations. • Occupation Health and Safety. • Staff development through skills development. • Employment Equity Plan and report. • Employee wellness. • HR administrative services. • To promulgate and implement by-laws approved by Council. • To maintain proper filling through the Registry procedure Manual • To file documents of the municipality for reference and accessibility. • Educative activities to ensure that Officials and Councillors understand the Performance Management System will be commissioned. • Comments from the performance assessment committees will be used to improve on areas that need to be improved.	
Information, Communication and Technology	The ICT section provides the following services: • To have a reliable network with minimal interruptions. • Improving the communication with the community. • Provision of information security which is emphasised in the form of policies, awareness campaigns and guidelines, • Provision of network security by acquiring firewalls and maintaining antivirus software updates and patches. • Provides network administration by ensuring data and information is being backed up and kept in	

	specified location, users are created and removed from the network as per departmental requests. • Hardware and software maintenance and ensures that the all licensing is in place and renewal of some applications subscriptions used by the Municipality.	
OFFICE OF THE MUNICIPAL MANAGER:		
INTERNAL DEPARTMENT	**DESCRIPTION OF FUNCTIONS**	**MANAGEMENT STRUSCTURE**
Internal Audit	The internal audit function plays an important role in supporting the Municipal's operations: • It provides reasonable assurance on all the important aspects of internal controls, risk management and governance processes. • The Standard for the Professional Practice of Internal Auditing number 2100 stipulates that the role of the internal audit function is to add value, evaluate and improve the organization's risk management, control and governance processes. • The internal audit function must also provide reasonable assurance that the systems of internal controls are adequate and effective to manage the risk at a level that is acceptable to management. • Internal control is defined broadly and encompasses those elements of an organization (including its resources, systems, processes, culture, structure and tasks) that taken together support the achievement of the organizational objectives.	This department is headed by the Municipal Manager, however the post is still vacant and Mrs T. S. Shoba is currently the Acting Municipal Manager. The office consists of only Internal Audit and all Section 56 Managers are reporting directly to the Municipal Manager.
OFFICE OF THE EXECUTIVE MAYOR:		

INTERNAL DEPARTMENT	DESCRIPTION OF FUNCTIONS	MANAGEMENT STRUSCTURE
Urban & Rural Development	▪ To meet the quality housing needs of residents in the municipal area of jurisdiction and minimize the spread of informal settlements. • To facilitate the finalisation of land claims and ensure that claimants are settled accordingly.	In the Office of the Executive Mayor there is a Planning and Development Unit which is temporarily headed (New post still vacant) by Mr L. D. Mkhonza who is assisted by Deputy Manager Urban & Rural Development and Deputy Manager IDP / LED. There is also a Deputy Manager in the Office of the Executive Mayor who also oversees youth and transversal issues.
IDP / LED	This section has a responsibility to: • To ensure economic growth in all sectors of the economy in order to curb unemployment and related negative issues by integrating the priorities of the National, Mpumalanga Growth and Development Path with the LED strategy of the Municipality and the District • To ensure economic growth and all capital projects contribute towards the alleviation of poverty and job creation. • Development and revision of Council's Integrated Development Plan. • Conduct community consultation meetings in each ward to obtain inputs with regard to the developmental needs of the community. • Organise and facilitate IDP Technical Committee meetings. • Organise and facilitate IDP Representative Forum meetings.	
Transversal issues	This section renders the following: • To ensure quality life through integrated services for people living with disabilities, woman and children. • To create interventions aimed at improving the	

	wellbeing and dignity of elderly person during their pay day and in life generally. • To ensure that people living with disabilities are given fair opportunities when job opportunities are available. • To ensure that Moral Regeneration Movement plays its vital role in restoring values to the community	
Youth Development	The Youth section renders the following: • To improve the mental and physical wellbeing of the youth through arts, culture and sports. • To improve the general health and welfare of the youth. • To ensure that youth benefits from sustainable job opportunities created. • To create interventions aimed at providing access to quality development to both ECD centres and primary schools. • Facilitate resources from social partners to register grade 12 graduates to institutions of higher learning.	
OFFICE OF THE SPEAKER:		
INTERNAL DEPARTMENT	**DESCRIPTION OF FUNCTIONS**	**MANAGEMENT STRUSCTURE**
Public Participation	This office is responsible for the following: • To narrow the social distance between the community and the municipality. • Recognize the intrinsic value of all of our people, investing in their ability to contribute to governance processes,	The Office of the Speaker is heading the Public Participation function which is co-ordinated by the Deputy Manager Public Participation.

	• Strengthen ward committees and the community involvement in the municipal affairs. • Reinforce elected officials linkage with communities through izimbizo, road shows and lekgotlas. In line with Section 52 of the Constitution of South Africa, the LM will ensure: 1) The involvement of the community of Emakhazeni in the planning processes of decision making processes, i.e. ward committees, organisational arrangement of the IDP; performance review, Budget 2) Special attention will be given to the involvement of youth, women and people with disabilities in the development process; and 3) Organisation of community outreach meetings for the purpose of feedback and further engagement. • Develop appropriate mechanisms, processes and procedures to encourage the involvement of community in matters of Local Government; • Invite as many stakeholders and structures in all community participation matters through CDWs; • Train people who are responsible for loud-hailing of community meetings; • Effectively train and workshop Ward Committees, Councillors and officials on the importance of community participation; • Encourage the establishment and active involvement of youth, women and aged in matters of local governance; • Convene the Budget, IDP, Mayoral *izimbizo*, NDM IDP outreach meetings; • Ensure that ward committees communicate with their constituencies and create a platform of accountability to communities; • See that Community Development Workers (CDWs)	

	are properly integrated into Wards Committees;	
COMMUNITY SERVICES DEPARTMENT:		
INTERNAL DEPARTMENT	**DESCRIPTION OF FUNCTIONS**	**MANAGEMENT STRUSCTURE**
Licensing, Law Enforcement/ Security & Public Safety	• To increase visibility and supervision of traffic officers. • To establish community policing forums in all wards with the liaison of SAPS. • To create a secure and safe environmental that minimizes fraudulent activities in the municipality. • Increase the capacity of the Emakhazeni testing grounds through its engagement with stakeholders. • To facilitate integrated communication with SAPS, Magistrate Courts and Correctional Services. • To purchase important responsive equipment and vehicles. • To protect and safeguard municipal assets and property. • To provide a safe working environment for the municipal staff and clients. • To promote adequate public transport management.	This department is headed by the Manager Community Services, Mrs N. Singh. The manager is assisted by two divisional Deputy Managers who are heading the different divisions as mentioned above.
Emergency Services: Fire services & Disaster management	• Ensure safe, prompt, effective fire fighting and ambulance service • Formulate a comprehensive plan to co-ordinate with all role players • Increase community access of emergency serves • To establish an effective, safe, prompt and responsive team that will assist in the prevention, mitigation and proper management for during disaster.	
Culture, Sports, and Recreation	• To create environment within which community members can easily participate in a sport of their choice • To provide a convenient sports and recreation infrastructure • To increase levels of participation in sport and	

	recreation.	
Library	• Municipal libraries contribute to the promotion of the culture of learning amongst our community members. • They however, are enriched with the reading materials that are relevant for adults, since they are public libraries and not necessarily, school libraries.	
Environmental Management	• Control and minimize environmental degradation. • Ensure that the general environment is protected and promoted in a sustainable way. • Ensure that communities have access to safe drinking water and that water sources are not polluted through water monitoring programs. • Educate all residents on the importance of the protection of the environment. • Capacitated Environmental Health section on Environmental management issues.	
Waste Management	• Provide a safe, effective and economical waste management and waste disposal service through ongoing management, maintenance and provision of appropriate landfill sites; development of a waste management program, taking into consideration the National Environmental Management: Waste Act 59 of 2008 and the National Waste Management Strategy. • Control and minimize waste on landfill sites through recycling initiatives. • Ensure that the general environment is protected and promoted in a sustainable way. • Management of landfill sites according to the DWAF Minimum Requirements for Landfill.	

Parks Grounds and Parks Chalets and Cemeteries.	• Ensure that the park accommodates numerous activities and events. • Ensure that local communities are involved in and benefit from the park • To promote a healthy and clean environment • To beautify the appearance of the towns. • To protect the memorial stones of those people who have passed on in life. • To provide adequate access and burial space for our communities. • Cleaning and maintenance of cemeteries • Providing access roads to cemeteries.	
TECHNICAL SERVICES DEPATRMENT:		
INTERNAL DEPARTMENT	**DESCRIPTION OF FUNCTIONS**	**MANAGEMENT STRUSCTURE**
Electricity	• To provide adequate and reliable electricity services to all communities in Emakhazeni except Dullstroom • Upgrade and maintain the electricity network continuously to ensure minimal interruption	This department is headed by the Manager Technical Services, Mr S. A. Khumalo. The manager is assisted by two Service Delivery Managers and a Deputy Manager PMU. Two post for Deputy Manager Electrical and Deputy Manager Roads & Stormwater are vacant.
Water and Water waste management	Emakhazeni Local Municipality is a water service authority and though this section renders the following services: • To provide adequate and appropriate water and sewer services to all communities in Emakhazeni • To comply with a Blue & Green Drop requirements • To reduce water loss and enhance revenue collection • Maintain the waste water reticulation structure continuously • To install hand pumps and windmills in the farming communities. • To purify and supply potable water to the community with minimal interruption	
Roads and Stormwater	• To improve the condition of the existing roads for users in all the towns, townships and farm areas.	

Project Management Unit	• This section has responsibility for project managing and administration of MIG funding, within the relevant municipal accounting system, for infrastructure projects of their own using MIG funds and for projects of other municipalities where they are delegated this authority; • Coordination of the project identification process in terms of the relevant IDP; • Coordination of the project feasibility process, with involvement of other municipal departments where appropriate, in terms of the relevant IDP; • Establishment and approval of contracts with contractors and consultants for each project, including feasibility studies; • Project management, including ensuring that projects meet planning objectives; • Coordination of project-based capacity building initiatives: the PMU is responsible for ensuring that project-related capacity building and development objectives are met; and • Management of MIG Management Information System (MIG –MIS) for registration of projects, facilitate the capture of backlog information, monitoring and preparation of all necessary reports. • Build capacity to operate and manage the MIG-MIS.	

2.10 Contracts Having Future Budgetary Implications

The municipality does not have any contracts that may exceed the period over a year.

2.11 Capital Expenditure Details

The following table represents the proposed capital projects for the MTREF 2013/14– 2015/2016

The capital projects are funded through internal surplus and external sources which is MIG.

MP314 Emakhazeni - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital Expenditure - Standard											
Governance and administration		**6,358**	**7,832**	**8,537**	**16,619**	**17,688**	**17,688**	**17,688**	**16,593**	**17,526**	**18,512**
Executive and council		6,297	7,813	8,537	16,049	17,648	17,648	17,648	16,532	17,463	18,445
Budget and treasury office		60	19		570	40	40	40	41	43	45
Corporate services		–	–						20	21	22
Community and public safety		**265**	**1**	**3,959**	**140**	**160**	**160**	**160**	**96**	**101**	**106**
Community and social services		216		–	–	40	40	40			
Sport and recreation		49	1	–	–	–	–	–			
Public safety		–		3,959	90	70	70	70	71	75	79
Housing		–	–	–	–	–	–	–			
Health				–	50	50	50	50	25	26	28
Economic and environmental services		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**25**	**26**	**28**
Planning and development											
Road transport									25	26	28
Trading services		**422**	**316**	**71**	**804**	**495**	**495**	**495**	**496**	**521**	**547**
Electricity		68	25	–	**260**	260	260	260	265	279	293
Water		41	291	71	200	200	200	200	204	214	225
Waste water management		312		0	20	20	20	20	12	12	13
Waste management				–	324	15	15	15	15	16	17
Other					**19**	**19**	**19**	**19**	19	20	21
Total Capital Expenditure - Standa	3	**7,044**	**8,149**	**12,567**	**17,582**	**18,362**	**18,362**	**18,362**	**17,229**	**18,195**	**19,213**
Funded by:											
National Government		5,894	7,762	8,515	15,929	15,929	15,929	15,929	16,322	17,242	18,213
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	**5,894**	**7,762**	**8,515**	**15,929**	**15,929**	**15,929**	**15,929**	**16,322**	**17,242**	**18,213**
Public contributions & donation	5			3,959							
Borrowing	6										
Internally generated funds		1,150	388	93	1,653	2,433	2,433	2,433	907	953	1,000
Total Capital Funding	7	**7,044**	**8,149**	**12,567**	**17,582**	**18,362**	**18,362**	**18,362**	**17,229**	**18,195**	**19,213**

Choose name from list - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2012/13 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2010/11	Current Year 2011/12 Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Ward location	New or renewal
Parent municipality:																
List all capital projects grouped by Municipal Vote																
019-305004		**mig project exp**			yes	*Infrastructure - Road transport*						15,929	16,803	17,774	Emakahzeni	new
006-305010		Fire Hoses & Branches			yes	*Community*						40	42	44	Emakahzeni	new
006-305020		Machinery & Equiip			yes	*Community*						50	53	55	Emakahzeni	new
009-305020		Machinery & Equiip			yes	*Community*						50	53	55	Emakahzeni	new
020-305022		Vehicle			yes	*Heritage Assets*						309	324	340	Emakahzeni	new
020-305000		Street bins			yes	*Community*						15	16	16	Emakahzeni	new
023-305022		Vehicle			yes	*Infrastructure - Sanitation*	*Water purification*					180	189	198	Emakahzeni	new
021-305020		Machinery & Equiip			yes	*Infrastructure - Sanitation*	*Computers - software & programming*					20	21	22	Emakahzeni	new
024-305012		Computer Equipment			yes	*Heritage Assets*						120	126	132	Emakahzeni	new
026-new		Fuel Tanks			yes	*Heritage Assets*	*Furniture and other office equipment*					350	368	386	Emakahzeni	new
026-305010		Furniture &Equip			yes	*Other*						40	42	44	Emakahzeni	new
035-305020		Machinery & Equiip			yes	*Infrastructure - Other*						19	20	21	Emakahzeni	new
040-305020		Machinery & Equiip			yes	*Infrastructure - Electricity*						260	273	221	Emakahzeni	new
045-305020		Machinery & Equiip			yes	*Infrastructure - Water*						200	210	221	Emakahzeni	new
Parent Capital expenditure	1											**17,582**	**18,539**	**19,530**		

2.10 Legislation Compliance Status

The Municipality operations are governed by an array of different acts.

The following Acts and prescripts are central in defining municipal boundaries and areas of influence:

- Regional Services Council Act, 1985 (Act 109 of 1985)
- Local Government: Municipal Structures Act, Act 117 of 1998 with all its amendments to date.
- Local Government : Municipal Systems Act, Act 32 of 2000 with all its amendments to date in its entirety together with regulations promulgated and applicable to high capacity municipalities.
- Local Government: Municipal Finance Management Act, Act 56 of 2004 in its entirety including regulations promulgated.
- Compliance is also given to circulars by National Treasury in line with the Municipal Systems Act and the Municipal Finance Management Act
- Local Government : Property Rates Act, Act 6 of 2004 and its promulgated regulations
- The Municipality is participating in the Municipal Financial management Internship programme, in the financial year 2012/2013 the municipality employed Five interns of which now two have been employed permanently. Since the inception of this programme the municipality has employed a total of eight interns whom they have appointed as Deputy Manager Budget & Reporting Senior Accountant Budget & Reporting, Deputy Manager Supply Chain Management (two), Senior Accountant Income, Senior Accountant Supply Chain Management and Senior Accountant Budget.
- Thus not only is Emakhazeni Municipality responsive to national government legislation, it has to comply with all the local government regulations and acts.

2.11 Other Supporting Document.

Other supporting documents entail supporting budget tables on SA1 to SA37,

MP314 Emakhazeni - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue &		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		11,428	16,162	20,439	25,994	30,494	30,494	30,494	32,934	34,581	36,310
less Revenue Foregone		422		756	2,474	1,100	1,100	1,100	300	315	331
Net Property Rates		**11,006**	**16,162**	**19,682**	**23,520**	**29,394**	**29,394**	**29,394**	**32,634**	**34,266**	**35,979**
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		24,770	28,446	30,553	37,989	38,589	38,589	38,589	41,291	43,355	45,523
less Revenue Foregone		3,178			2,583						
Net Service charges - electricity revenue		**21,592**	**28,446**	**30,553**	**35,406**	**38,589**	**38,589**	**38,589**	**41,291**	**43,355**	**45,523**
Service charges - water revenue	6										
Total Service charges - water revenue		**6,752**	**8,363**	**11,200**	**11,077**	**11,877**	**11,877**	**11,877**	**13,183**	**13,842**	**14,535**
less Revenue Foregone		302		1,393	332	1,500	1,500	1,500	1,530	1,607	1,687
Net Service charges - water revenue		**6,451**	**8,363**	**9,806**	**10,745**	**10,377**	**10,377**	**10,377**	**11,653**	**12,236**	**12,848**
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		**4,257**	**5,322**	**6,783**	**6,013**	**7,213**	**7,213**	**7,213**	**7,805**	**8,195**	**8,605**
less Revenue Foregone											
Net Service charges - sanitation revenue		**4,257**	**5,322**	**6,783**	**6,013**	**7,213**	**7,213**	**7,213**	**7,805**	**8,195**	**8,605**
Service charges - refuse revenue	6										
Total refuse removal revenue		4,828	5,585	6,495	7,031	7,031	7,031	7,031	8,007	8,407	8,827
Total landfill revenue											
less Revenue Foregone											
Net Service charges - refuse revenue		**4,828**	**5,585**	**6,495**	**7,031**	**7,031**	**7,031**	**7,031**	**8,007**	**8,407**	**8,827**
Other Revenue by source											
OPEN BLOCKED SEWERAGES		13	17	18	29	29	29	29	29	30	32
REFUND : TRAINING		–	–	68	76	76	76	76	80	84	88
MOTOR VEHICLE FEES DIRECT		994	934	1,006	892	942	942	942	780	819	860
T M T PROJECT INCOME		3,235	3,258	4,697	5,000	5,000	5,000	5,000	5,000	5,250	5,513
TENDER FORMS		54	55	34	49	50	50	50	53	56	58
CONTRIBUTION TO BULK SERVICE		4	352	–	323	323	323	323	142	149	156
CONNECTION FEE NON PAYMENT		47	22	135	50	50	50	50	204	214	224
BUILDING PLAN FEES		44	47	61	50	50	50	50	56	58	61
AUCTION		–	–	–	207	207	207	207	218	229	240
LAND AVAILABILITY OR DISPOSAL		–	2,193						2,800	2,940	3,087
SALE OF DWELLINGS		85	259	–	170	170	170	170	400	420	441
OTHER REVENUE	3	469	1,925	4,743	10,553	3,598	3,598	3,598	939	985	1,035
Total 'Other' Revenue	1	**4,946**	**9,062**	**10,763**	**17,399**	**10,496**	**10,496**	**10,496**	**10,699**	**11,234**	**11,795**

EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	20,189	31,041	29,907	37,334	36,940	36,940	36,940	42,926	45,072	47,326
Pension and UIF Contributions		4,437	6,306	6,468	8,565	8,468	8,468	8,468	9,729	10,215	10,726
Medical Aid Contributions		1,304	1,672	1,840	2,604	3,076	3,076	3,076	3,140	3,297	3,461
Overtime		2,818	3,351	2,657	2,982	3,204	3,204	3,204	3,232	3,393	3,563
Performance Bonus		1,659	2,291	2,263	3,362	2,927	2,927	2,927	3,577	3,756	3,944
Motor Vehicle Allowance		2,276	3,498	4,064	5,324	5,401	5,401	5,401	5,882	6,176	6,485
Cellphone Allowance		–	–	–	128	137	137	137	189	199	208
Housing Allowances		68	66	57	71	71	71	71	56	59	62
Other benefits and allowances		991	3,452	2,286	1,698	1,735	1,735	1,735	1,983	2,082	2,186
Payments in lieu of leave			1,590	560							
Long service awards		–	–								
Post-retirement benefit obligations	4	–	–								
sub-total	5	**33,742**	**53,267**	**50,101**	**62,068**	**61,959**	**61,959**	**61,959**	**70,713**	**74,249**	**77,961**
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	**33,742**	**53,267**	**50,101**	**62,068**	**61,959**	**61,959**	**61,959**	**70,713**	**74,249**	**77,961**
Contributions recognised - capital											
List contributions by contract											
Total Contributions recognised - capital		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		2,530	46,412	48,037	2,915	49,000	49,000	49,000	49,980	52,479	55,103
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	**2,530**	**46,412**	**48,037**	**2,915**	**49,000**	**49,000**	**49,000**	**49,980**	**52,479**	**55,103**
Bulk purchases											
Electricity Bulk Purchases		17,975	23,116	29,844	35,162	35,162	35,162	35,162	37,729	39,615	41,596
Water Bulk Purchases											
Total bulk purchases	1	**17,975**	**23,116**	**29,844**	**35,162**	**35,162**	**35,162**	**35,162**	**37,729**	**39,615**	**41,596**
Transfers and grants											
Cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Total transfers and grants	1	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Contracted services											
CONTRACT: MUNPAK		238	311	511	360	460	460	460	469	493	517
RENTAL AGREEMENTS: COPIERS		395	365	367	420	400	400	400	408	428	450
CONSUMPTION: COPIERS		90	170	156	200	200	200	200	140	147	154
CONTRACT: PRUNE/PLANT TREES		24	8	–	56	56	56	56	56	59	62
SECURITY		2,081	2,567	2,150	2,663	2,663	2,663	2,663	2,717	2,853	2,995
LEGAL FEES		202	259	3,365	1,816	1,816	1,816	1,816	1,853	1,945	2,042
sub-total	1	**3,029**	**3,679**	**6,549**	**5,516**	**5,596**	**5,596**	**5,596**	**5,643**	**5,925**	**6,221**
Allocations to organs of state:											
Total contracted services		**3,029**	**3,679**	**6,549**	**5,516**	**5,596**	**5,596**	**5,596**	**5,643**	**5,925**	**6,221**
Other Expenditure By Type											
Collection costs		–	–								
Contributions to 'other' provisions											
Consultant fees		–	719	352	1,160	1,080	1,080	1,080	850	893	937
Audit fees		2,574	1,573	1,868	1,707	2,407	2,407	2,407	2,455	2,578	2,707
General expenses	3										
RENTAL OFFICES		250	260	287	375	375	375	375	383	402	422
RENTAL VEHICLES		117	428	208	100	300	300	300	250	263	276
INSURANCE ANNUAL RENEWALS		1,341	1,603	1,577	2,000	800	800	800	816	857	900
BOOKS & ORDINANCES		55	71	106	150	128	128	128	161	169	178
CHEMICALS		1,418	1,762	–	2,200	2,200	2,200	2,200	2,244	2,356	2,474
ADVERTISING COSTS		121	56	195	150	150	150	150	180	189	198
PRINTING & STATIONARY		749	790	876	1,200	1,200	1,200	1,200	1,033	1,085	1,139
FUEL & OIL		2,338	2,755	2,804	3,356	3,356	3,356	3,356	3,424	3,595	3,774
TELEPHONE		907	1,122	1,562	1,100	1,100	1,100	1,100	1,000	1,050	1,103
TMT PROJECTS EXPENSES		1,711	1,628	2,987	2,500	2,500	2,500	2,500	2,500	2,625	2,756
TRAINING		351	363	263	450	350	350	350	400	420	441
		4,572	1,621	2,534	12,443	11,335	11,335	11,335	12,463	12,208	12,864
Capital Budget internally exc MIG		935	369	–	1,653	2,433	2,433	2,433	907	953	1,000
Total 'Other' Expenditure	1	**17,439**	**15,118**	**15,620**	**30,544**	**29,714**	**29,714**	**29,714**	**29,066**	**29,641**	**31,169**
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		9,321	20,555	21,218	22,638	24,970	24,970	24,970	22,374	23,493	24,668
Other materials		536	348	302	512	429	429	429	591	620	651
Contracted Services		2,199	2,393	6,341	5,004	5,784	5,784	5,784	5,625	5,906	6,202
Other Expenditure		10,673	13,426	12,669	14,430	12,670	12,670	12,670	13,396	14,066	14,769
Total Repairs and Maintenance Expenditure	9	22,729	36,722	40,530	42,583	43,853	43,853	43,853	41,987	44,086	46,290

MP314 Emakhazeni - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)

Description	Ref	Vote 1 - EXECUTIVE & COUNCIL	Vote 2 - FINANCE & ADMIN	Vote 3 - PLANNING & DEVELOPMENT	Vote 4 - HEALTH	Vote 5 - COMMUNITY & SOCIAL SERVICES	Vote 6 - PUBLIC SAFETY	Vote 7 - SPORT &RECREATION	Vote 8 - WASTE MANAGEMENT	Vote 9 - WASTE WATER MANAGEMENT	Vote 10 - ROAD TRANSPORT	Vote 11 - WATER	Vote 12 - ELECTRICITY	Vote 13 - OTHER	Vote 14 -	Vote 15 -	Total
R thousand	1																
Revenue By Source																	
Property rates		32,634															32,634
Property rates - penalties & collection charges																	-
Service charges - electricity revenue													41,291				41,291
Service charges - water revenue												11,653					11,653
Service charges - sanitation revenue										7,805							7,805
Service charges - refuse revenue									8,007								8,007
Service charges - other																	-
Rental of facilities and equipment			434			14		121									569
Interest earned - external investments			381														381
Interest earned - outstanding debtors																	-
Dividends received																	-
Fines						1					600						601
Licences and permits								45			359						405
Agency services											1,109						1,109
Other revenue		106	3,140	558		53	300	8	23	29	5,817	26	639				10,699
Transfers recognised - operational		40,975		1,000													41,975
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and cont		**73,715**	**3,955**	**1,558**	**-**	**68**	**300**	**174**	**8,030**	**7,834**	**7,885**	**11,679**	**41,930**	**-**	**-**	**-**	**157,128**
Expenditure By Type																	
Employee related costs		4,921	17,453	12,084	704	1,906	1,446	3,997	6,287	4,649	8,829	3,903	3,442	1,092			70,713
Remuneration of councillors		4,754															4,754
Debt impairment		8,670															8,670
Depreciation & asset impairment			49,980														49,980
Finance charges																	-
Bulk purchases													37,729				37,729
Other materials		66	525	1,438		143	293	129	1,712		523	629	3,126	57			8,641
Contracted services		2,153	3,473					56		583	2,717	200	350				9,531
Transfers and grants		2,440		1,000													3,440
Other expenditure		4,048	9,619	409	548	73	148	26	831	601	2,662	2,591	729	35			22,320
Loss on disposal of PPE																	-
Total Expenditure		**27,051**	**81,050**	**14,931**	**1,252**	**2,121**	**1,887**	**4,208**	**8,830**	**5,833**	**14,731**	**7,323**	**45,376**	**1,185**	**-**	**-**	**215,778**
Surplus/(Deficit)		**46,664**	**(77,094)**	**(13,373)**	**(1,252)**	**(2,053)**	**(1,587)**	**(4,034)**	**(800)**	**2,000**	**(6,845)**	**4,356**	**(3,446)**	**(1,185)**	**-**	**-**	**(58,650)**
Transfers recognised - capital		**16,322**															**16,322**
Contributions recognised - capital																	-
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions		**62,986**	**(77,094)**	**(13,373)**	**(1,252)**	**(2,053)**	**(1,587)**	**(4,034)**	**(800)**	**2,000**	**(6,845)**	**4,356**	**(3,446)**	**(1,185)**	**-**	**-**	**(42,328)**

MP314 Emakhazeni - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Call investment deposits											
Call deposits < 90 days					21	21	21	21	2,798	2,938	3,085
Other current investments > 90 days											
Total Call investment deposits	2	–	–	–	**21**	**21**	**21**	**21**	**2,798**	**2,938**	**3,085**
Consumer debtors											
Consumer debtors		61,127	77,706	18,802	90,000	90,000	90,000	90,000	92,000	94,000	98,700
Less: Provision for debt impairment		–	(59,863)		(8,500)	(8,500)	(8,500)	(8,500)	(8,670)	(9,104)	(9,559)
Total Consumer debtors	2	**61,127**	**17,843**	**18,802**	**81,500**	**81,500**	**81,500**	**81,500**	**83,330**	**84,897**	**89,141**
Debt impairment provision											
Balance at the beginning of the year					(59,863)	(59,863)	(59,863)	(59,863)	(62,218)	(64,561)	(62,118)
Contributions to the provision			(59,863)		(2,355)	(2,355)	(2,355)	(2,355)	(2,343)	2,443	(3,106)
Bad debts written off											
Balance at end of year		–	**(59,863)**	–	**(62,218)**	**(62,218)**	**(62,218)**	**(62,218)**	**(64,561)**	**(62,118)**	**(65,224)**
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)			555,723	529,975	75,000	75,000	75,000	75,000	451,360	504,202	528,761
Leases recognised as PPE	3				–	–	–	–			
Less: Accumulated depreciation					12,250	12,250	12,250	12,250	49,980	52,479	55,102
Total Property, plant and equipment (PPE)	2	–	**555,723**	**529,975**	**62,750**	**62,750**	**62,750**	**62,750**	**401,380**	**451,723**	**473,659**
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		903	981								
Current portion of long-term liabilities											
Total Current liabilities - Borrowing		**903**	**981**	–	–	–	–	–	–	–	–
Trade and other payables											
Trade and other creditors		10,959	48,888	65,944	12,530	12,530	12,530	12,530	8,000	8,000	8,000
Unspent conditional transfers		6,996	6,537	11,448	5,000	5,000	5,000	5,000	5,000	5,000	5,000
VAT		5,266	6,560	5,199	16,448	16,448	16,448	16,448	17,271	18,134	19,041
Total Trade and other payables	2	**23,220**	**61,986**	**82,590**	**33,978**	**33,978**	**33,978**	**33,978**	**30,271**	**31,134**	**32,041**
Non current liabilities - Borrowing											
Borrowing	4	1,937	–								
Finance leases (including PPP asset element)		1,074									
Total Non current liabilities - Borrowing		**3,011**	–	–	–	–	–	–	–	–	–
Provisions - non-current											
Retirement benefits				2,743					2,743	2,880	3,024
List other major provision items											
Refuse landfill site rehabilitation									877	877	877
Other											
Total Provisions - non-current		–	–	**2,743**	–	–	–	–	**3,620**	**3,757**	**3,901**
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		50,230	538,498	486,462	111,433	111,433	111,433	111,433	482,842	534,004	559,400
GRAP adjustments											
Restated balance		50,230	538,498	486,462	111,433	111,433	111,433	111,433	482,842	534,004	559,400
Surplus/(Deficit)		1,561	(98,847)	(43,521)	5,269	(41,571)	(41,571)	(41,571)	(42,328)	(42,546)	(40,615)
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments		(1,561)	98,847	43,521	(5,269)	41,571	41,571	41,571	42,328	42,546	40,615
Accumulated Surplus/(Deficit)	1	**50,230**	**538,498**	**486,462**	**111,433**	**111,433**	**111,433**	**111,433**	**482,842**	**534,004**	**559,400**
Reserves											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation		–									
Total Reserves	2	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**50,230**	**538,498**	**486,462**	**111,433**	**111,433**	**111,433**	**111,433**	**482,842**	**534,004**	**559,400**

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services											

MP314 Emakhazeni - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Services charges: Sanitation Revenue	Service Delivery			4,828	5,585	6,495	7,031	7,031	7,031	7,805	8,195	8,605
Services charges: Refuse removals revenue	Services delivery			4,257	5,322	6,783	6,013	7,213	7,213	8,007	8,407	8,827
Services charges: Electricity Revenue	Sevices delivery			24,770	28,446	30,553	37,989	38,589	38,589	41,291	43,355	45,523
Services charges: Water Revenue	Sevices delivery			6,752	8,363	11,200	11,077	11,877	11,877	11,653	12,236	12,848
Economical Monentary Management	Financial Viability			30,113	37,621	42,865	54,877	55,257	55,257	58,297	62,232	69,448
Municipal Transformation and organisation Development	Good Governance			14,248	27,450	31,808	40,733	41,446	41,446	46,397	48,717	51,153
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributior			1	**84,968**	**112,788**	**129,704**	**157,721**	**161,414**	**161,414**	**173,450**	**183,142**	**196,404**

MP314 Emakhazeni - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Property Rates: Indigent Support	Poverty Alleviation			422		756	2,474	1,100	1,100	300	315	1,005
Electricity: Indigent Support	Poverty Alleviation			627		22	690	190	190			
Water: Indigent Support	Poverty Alleviation			302		1,393	332	1,500	1,500	1,530	1,607	1,687
Provide Health & Environmental Services	Service Delivery			10,053	5,483	6,252	9,543	9,056	9,056	1,252	1,315	1,380
Electricity Infrastructure Devel	Service Delivery			12,667	17,975	23,116	25,980	30,980	30,980	37,729	39,615	41,596
Community & Social Service Provision				7,506	9,019	10,762	13,732	13,437	13,437	2,121	2,228	2,339
Sustainable & Economical Monetary Management	Financial Viablilty			1,662	1,535	2,040	2,300	2,300	2,300	2,440	2,734	2,917
Municipal Transformation & Organisational Development	Good Co-Operative Governance			26,759	31,022	104,741	68,474	74,735	74,735	67,451	71,984	77,109
Good Governance & Public Participation	Service Delivery Based			29,301	154,362	32,657	44,856	85,617	85,617	119,276	123,134	127,199
Allocations to other priorities												
Total Expenditure			1	**89,301**	**219,397**	**181,740**	**168,381**	**218,914**	**218,914**	**232,100**	**242,931**	**255,232**

MP314 Emakhazeni - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Institutional Transformation, Good Governance & Public participation	Governance & Administration	A		6,358	7,832	8,537	16,619	17,688	17,688	16,593	17,526	18,512
Service Delivery and Infrastructure Developments	Community Services & Public Safety	B		265	1	3,959	140	160	160	96	101	106
Service Delivery and Infrastructure Developments	Economic & Environmental Services	C								25	26	28
Service Delivery and Infrastructure Developments	Trading Services	D		422	316	71	804	495	495	496	521	547
Other		E					19	19	19	19	20	21
Allocations to other priorities			3									
Total Capital Expenditure			1	**7,044**	**8,149**	**12,567**	**17,582**	**18,362**	**18,362**	**17,229**	**18,195**	**19,213**

MP314 Emakhazeni - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.6%	0.1%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.0%	0.2%	0.0%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	1.7	0.3	0.3	2.4	2.4	2.4	2.4	2.8	2.8	2.8
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.7	0.3	0.3	2.4	2.4	2.4	2.4	2.8	2.8	2.8
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		100.0%	100.0%	100.0%	100.0%	98.0%	98.0%	98.0%	81.4%	81.4%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			100.0%	100.0%	100.0%	100.0%	98.0%	98.0%	98.0%	81.4%	81.4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	82.5%	19.2%	17.3%	59.2%	57.7%	57.7%	57.7%	54.6%	52.8%	51.6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))										
Creditors to Cash and Investments		-252.9%	-44.1%	-40.5%	730.9%	703.7%	703.7%	703.7%	-11.1%	-9.4%	-8.5%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
Employee costs	Employee costs/(Total Revenue - capital revenue)	42.7%	50.7%	41.3%	43.8%	42.6%	42.6%	42.6%	45.0%	44.8%	43.8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	44.8%	48.4%	44.9%	46.8%	45.7%	0.0%		48.0%	47.8%	46.7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	3.9%	44.3%	39.7%	2.5%	33.7%	33.7%	33.7%	31.8%	31.6%	30.9%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	2,421.7	719.7	2,421.1	283.4	283.4	283.4	278.6	287.8	287.8	302.2
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	133.7%	31.3%	28.3%	100.6%	90.0%	90.0%	90.0%	84.2%	81.8%	81.8%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(0.8)	(8.7)	(17.9)	0.2	0.2	0.2	0.2	(6.1)	(6.8)	(7.2)

MP314 Emakhazeni - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	1996 Census	2001 Census	2007 Survey	2009/10 Outcome	2010/11 Outcome	2011/12 Outcome	Current Year 2012/13 Original Budget	2013/14 Medium Term Revenue & Expenditure Framework Outcome	Outcome	Outcome
Demographics												
Population			37	43	52	52	55	57	47	49	52	55
Females aged 5 - 14				5	6	6	6	6	6	6	6	7
Males aged 5 - 14				4	4	4	5	5	5	5	5	6
Females aged 15 - 34				8	8	8	8	9	16	17	17	18
Males aged 15 - 34				8	8	8	8	9	16	17	18	18
Unemployment				5	5	5	5	5	5	5	5	5
Monthly household income (no. of households)	1, 12											
No income									18,390	18,390	18,390	18,390
R1 - R1 600			243	243	243	255	268	281	13,154	13,154	13,154	13,154
R1 601 - R3 200			788	788	788	788	788	796	3,666	3,666	3,666	3,666
R3 201 - R6 400			282	282	282	282	282	285	2,225	2,225	2,225	2,225
R6 401 - R12 800									1,772	1,772	1,772	1,772
R12 801 - R25 600									852	852	852	852
R25 601 - R51 200									331	331	331	331
R52 201 - R102 400									75	75	75	75
R102 401 - R204 800									45	45	45	45
R204 801 - R409 600									20	20	20	20
R409 601 - R819 200									–	–	–	–
> R819 200									–			
Poverty profiles (no. of households)												
< R2 060 per household per month	13											
Insert description	2											
Household/demographics (000)												
Number of people in municipal area			43,007	52,000	52	55	57	60	60	60	60	60
Number of poor people in municipal area								1	1	1	1	1
Number of households in municipal area			9,724	12,127	12	12	13	13	13	13	13	13
Number of poor households in municipal area												
Definition of poor household (R per month)			500	500	500	801	841	883	883	883	883	883
Housing statistics	3											
Formal												
Informal												
Total number of households			-	-	-	-	-	-	-	-	-	-
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges						8,882	11,006	16,162	12,134	12,134	12,134	12,134
Rental of facilities & equipment												
Interest - external investments						578	620	471	733	733	733	733
Interest - debtors						196	133	23	41	41	41	41
Revenue from agency services												

MP314 Emakhazeni Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2009/10 Audited Outcome	2010/11 Audited Outcome	2011/12 Audited Outcome	Current Year 2012/13 Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	2013/14 Medium Term Revenue & Expenditure Framework Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	(4,333)	(110,941)	(162,978)	1,714	1,781	1,781	1,781	(72,368)	(85,079)	(94,585)
Cash + investments at the yr end less applications - R'000	18(1)b	2	35,920	(37,334)	(53,403)	66,476	64,798	64,798	64,798	59,728	61,251	64,963
Cash year end/monthly employee/supplier payments	18(1)b	3	(0.8)	(8.7)	(17.9)	0.2	0.2	0.2	0.2	(6.1)	(6.8)	(7.2)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	1,561	(98,847)	(43,521)	5,269	(41,571)	(41,571)	(41,571)	(42,328)	(42,546)	(40,615)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	26.7%	8.8%	6.8%	6.0%	(6.0%)	(6.0%)	3.5%	(1.0%)	(1.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	100.0%	100.0%	100.0%	100.0%	98.0%	98.0%	98.0%	81.4%	81.4%	81.4%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	93.1%	10.9%	2.8%	9.1%	9.1%	9.1%	8.5%	8.5%	8.5%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	94.7%	94.8%	94.8%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								357.2%	360.9%	381.3%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(69.1%)	4.1%	300.3%	0.0%	0.0%	0.0%	2.3%	2.0%	5.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

Supporting indicators												
% incr *total service charges (incl prop rates)*	18(1)a			32.7%	14.8%	12.8%	12.0%	0.0%	0.0%	9.5%	5.0%	5.0%
% incr Property Tax	18(1)a			46.8%	21.8%	19.5%	25.0%	0.0%	0.0%	11.0%	5.0%	5.0%
% incr Service charges - electricity revenue	18(1)a			31.7%	7.4%	15.9%	9.0%	0.0%	0.0%	7.0%	5.0%	5.0%
% incr Service charges - water revenue	18(1)a			29.7%	17.3%	9.6%	(3.4%)	0.0%	0.0%	12.3%	5.0%	5.0%
% incr Service charges - sanitation revenue	18(1)a			25.0%	27.5%	(11.4%)	20.0%	0.0%	0.0%	8.2%	5.0%	5.0%
% incr Service charges - refuse revenue	18(1)a			15.7%	16.3%	8.3%	0.0%	0.0%	0.0%	13.9%	5.0%	5.0%
% incr in Service charges - other	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		48,753	64,350	74,090	83,377	93,206	93,206	93,206	101,963	107,062	112,415
Service charges			48,133	63,879	73,320	82,716	92,605	92,605	92,605	101,389	106,459	111,782
Property rates			11,006	16,162	19,682	23,520	29,394	29,394	29,394	32,634	34,266	35,979
Service charges - electricity revenue			21,592	28,446	30,553	35,406	38,589	38,589	38,589	41,291	43,355	45,523
Service charges - water revenue			6,451	8,363	9,806	10,745	10,377	10,377	10,377	11,653	12,236	12,848
Service charges - sanitation revenue			4,257	5,322	6,783	6,013	7,213	7,213	7,213	7,805	8,195	8,605
Service charges - refuse removal			4,828	5,585	6,495	7,031	7,031	7,031	7,031	8,007	8,407	8,827
Service charges - other			–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment			620	471	770	661	601	601	601	574	603	633
Capital expenditure excluding capital grant funding			1,150	388	4,052	1,653	2,433	2,433	2,433	907	953	1,000
Cash receipts from ratepayers	18(1)a		54,804	75,160	86,734	102,808	103,678	103,678	103,678	93,374	98,043	102,945
Ratepayer & Other revenue	18(1)a		54,804	75,160	86,734	102,808	105,794	105,794	105,794	114,772	120,510	126,536
Change in consumer debtors (current and non-current)			(47,773)	(45,068)	825	62,947	62,947	62,947	62,947	1,950	1,694	4,378
Operating and Capital Grant Revenue	18(1)a		30,031	37,606	42,865	54,877	55,257	55,257	55,257	58,297	62,232	69,448
Capital expenditure - total	20(1)(vi)		7,044	8,149	12,567	17,582	18,362	18,362	18,362	17,229	18,195	19,213
Capital expenditure - renewal	20(1)(vi)		–	–	–	–	–	–	–	–	–	–
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY												
DoRA capital grants total MFY										16,322	17,242	18,213
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants										16,322	17,242	18,213
Average annual collection rate (arrears inclusive)												
DoRA operating												
Local Government Equitable Share										38,535	42,256	48,318
EPWP Incentive										1,000		
Finance Management										1,550	1,800	1,950
Municipal Systems Improvement										890	934	967
										41,975	**44,990**	**51,235**
DoRA capital												
MIG										16,322	17,242	18,213
										16,322	**17,242**	**18,213**
Trend												
Change in consumer debtors (current and non-current)			(47,773)	(45,068)	825	62,947	1,950	1,694	4,378	–	–	–
Total Operating Revenue			79,073	105,027	121,189	141,792	145,485	145,485	145,485	157,128	165,900	178,191
Total Operating Expenditure			83,406	211,635	173,225	152,452	202,985	202,985	202,985	215,778	225,689	237,019
Operating Performance Surplus/(Deficit)			(4,333)	(106,608)	(52,036)	(10,660)	(57,500)	(57,500)	(57,500)	(58,650)	(59,788)	(58,828)
Cash and Cash Equivalents (30 June 2012)										(72,368)		
Revenue												
% Increase in Total Operating Revenue				32.8%	15.4%	17.0%	2.6%	0.0%	0.0%	8.0%	5.6%	7.4%
% Increase in Property Rates Revenue				46.8%	21.8%	19.5%	25.0%	0.0%	0.0%	11.0%	5.0%	5.0%
% Increase in Electricity Revenue				31.7%	7.4%	15.9%	9.0%	0.0%	0.0%	7.0%	5.0%	5.0%
% Increase in Property Rates & Services Charges				32.7%	14.8%	12.8%	12.0%	0.0%	0.0%	9.5%	5.0%	5.0%
Expenditure												
% Increase in Total Operating Expenditure				153.7%	(18.1%)	(12.0%)	33.1%	0.0%	0.0%	6.3%	4.6%	5.0%
% Increase in Employee Costs				57.9%	(5.9%)	23.9%	(0.2%)	0.0%	0.0%	14.1%	5.0%	5.0%
% Increase in Electricity Bulk Purchases				28.6%	29.1%	17.8%	0.0%	0.0%	0.0%	7.3%	5.0%	5.0%
Average Cost Per Budgeted Employee Position (Remuneration)					138020.2095	164200.0425				185112.5576		
Average Cost Per Councillor (Remuneration)					327420.97	288112.0667				316923.4		
R&M % of PPE			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Asset Renewal and R&M as a % of PPE			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Debt Impairment % of Total Billable Revenue			0.0%	93.1%	10.9%	2.8%	9.1%	9.1%	9.1%	8.5%	8.5%	8.5%
Capital Revenue												
Internally Funded & Other (R'000)			1,150	388	4,052	1,653	2,433	2,433	2,433	907	953	1,000
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			5,894	7,762	8,515	15,929	15,929	15,929	15,929	16,322	17,242	18,213
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			83.7%	95.2%	67.8%	90.6%	86.8%	86.8%	86.8%	94.7%	94.8%	94.8%
Capital Expenditure												
Total Capital Programme (R'000)			7,044	8,149	12,567	17,582	18,362	18,362	18,362	17,229	18,195	19,213
Asset Renewal			–	–	–	–	–	–	–	–	–	–
Asset Renewal % of Total Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			100.0%	100.0%	100.0%	100.0%	98.0%	98.0%	98.0%	81.4%	81.4%	81.4%
Cash Coverage Ratio			(0)	(0)	(0)	0	0	0	0	(0)	(0)	(0)
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			0.6%	0.1%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Surplus/(Deficit)			35,920	(37,334)	(53,403)	66,476	64,798	64,798	64,798	59,728	61,251	64,963
Free Services												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			8.3%	14.1%	9.9%	7.4%	8.2%	8.2%		7.5%	7.3%	7.0%
High Level Outcome of Funding Compliance												
Total Operating Revenue			79,073	105,027	121,189	141,792	145,485	145,485	145,485	157,128	165,900	178,191
Total Operating Expenditure			83,406	211,635	173,225	152,452	202,985	202,985	202,985	215,778	225,689	237,019
Surplus/(Deficit) Budgeted Operating Statement			(4,333)	(106,608)	(52,036)	(10,660)	(57,500)	(57,500)	(57,500)	(58,650)	(59,788)	(58,828)
Surplus/(Deficit) Considering Reserves and Cash Backing			31,587	(143,942)	(105,439)	55,816	7,298	7,298	7,298	1,078	1,462	6,134
MTREF Funded (1) / Unfunded (0)		15	1	0	0	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗		15	✓	✗	✗	✓	✓	✓	✓	✓	✓	✓

MP314 Emakhazeni - Supporting Table SA11 Property rates summary

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Valuation:	1									
Date of valuation:		2/07/2008								
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2	YES	YES	YES						
Municipal/assistant valuer appointed? (Y/N)		NO	NO	NO						
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3									
No. of data collectors (FTE)	3	5								
No. of internal valuers (FTE)	3	–								
No. of external valuers (FTE)	3	1								
No. of additional valuers (FTE)	4									
Valuation appeal board established? (Y/N)		YES								
Implementation time of new valuation roll (mths)										
No. of properties	5	13,996	13,996	13,996	13,996			13,996	13,996	13,996
No. of sectional title values	5			4	4			4	4	4
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations			1	1	1			1	1	1
No. of valuation roll amendments										
No. of objections by rate payers		396								
No. of appeals by rate payers										
No. of successful objections	8	69								
No. of successful objections > 10%	8									
Supplementary valuation										
Public service infrastructure value (Rm)	5									
Municipality owned property value (Rm)										
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)										
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)										
Valuation reductions-public worship (Rm)										
Valuation reductions-other (Rm)										
Total valuation reductions:		–	–	–	–	–	–	–	–	–
Total value used for rating (Rm)	5									
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5									
Rating:										
Residential rate used to determine rate for other categories? (Y/N)		YES	YES	YES	YES					
Differential rates used? (Y/N)	5	YES	YES	YES	YES					
Limit on annual rate increase (s20)? (Y/N)		YES	YES	YES	YES					
Special rating area used? (Y/N)		NO	NO	NO	NO					
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)		YES	YES	YES	YES					
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R '000)	6									
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)										
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)										
Rebates, exemptions - pensioners (R'000)										
Rebates, exemptions - bona fide farm. (R'000)										
Rebates, exemptions - other (R'000)										
Phase-in reductions/discounts (R'000)										
Total rebates,exemptns,reductns,discs (R'000)		–	–	–	–	–	–	–	–	–

References

MP314 Emakhazeni - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.	
Current Year 2012/13																		
Valuation:																		
No. of properties		9,385			2,808	79	1,720		4									
No. of sectional title property values																		
No. of unreasonably difficult properties s7(2)																		
No. of supplementary valuations		4	4	4	4	4	4	4	4						4	4	4	
Supplementary valuation (Rm)																		
No. of valuation roll amendments																		
No. of objections by rate-payers																		
No. of appeals by rate-payers																		
No. of appeals by rate-payers finalised																		
No. of successful objections	5																	
No. of successful objections > 10%	5																	
Estimated no. of properties not valued																		
Years since last valuation **(select)**		5	5	5	5	5	5		5									
Frequency of valuation **(select)**																		
Method of valuation used **(select)**		Market	Market	Market	Market	Market	Market	Market	Market							Market	Market	
Base of valuation **(select)**																		
Phasing-in properties s21 (number)																		
Combination of rating types used? (Y/N)		YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	
Flat rate used? (Y/N)		NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	
Is balance rated by uniform rate/variable rate?		Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable					
Valuation reductions:																		
Valuation reductions-public infrastructure (Rm)																		
Valuation reductions-nature reserves/park (Rm)																		
Valuation reductions-mineral rights (Rm)																		
Valuation reductions-R15,000 threshold (Rm)																		
Valuation reductions-public worship (Rm)																		
Valuation reductions-other (Rm)	2																	
Total valuation reductions:																		
Total value used for rating (Rm)	6																	
Total land value (Rm)	6																	
Total value of improvements (Rm)	6																	
Total market value (Rm)	6																	
Rating:																		
Average rate	3																	
Rate revenue budget (R '000)																		–
Rate revenue expected to collect (R'000)																		–
Expected cash collection rate (%)	4																	
Special rating areas (R'000)																		
Rebates, exemptions - indigent (R'000)																		
Rebates, exemptions - pensioners (R'000)																		
Rebates, exemptions - bona fide farm. (R'000)																		
Rebates, exemptions - other (R'000)																		
Phase-in reductions/discounts (R'000)																		
Total rebates,exemptns,reductns,discs (R'000)																		

MP314 Emakhazeni - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Budget Year 2013/14																	
Valuation:																	
No. of properties						69	633	261	4	13,271						100	5
No. of sectional title property values									4								
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations						4	4	4	4	4							4
Supplementary valuation (Rm)																	
No. of valuation roll amendments																	
No. of objections by rate-payers		400								71							
No. of appeals by rate-payers																	
No. of appeals by rate-payers finalised																	
No. of successful objections	5	200								46							
No. of successful objections > 10%	5									8							
Estimated no. of properties not valued		1,100															
Years since last valuation **(select)**		>5				4	4	4	4	4	4	4	4	4	4	4	4
Frequency of valuation **(select)**		4				<4											
Method of valuation used **(select)**		Market				Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation **(select)**		Land & impr.				Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)		Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	Yes	No
Is balance rated by uniform rate/variable rate?		Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)																	
Valuation reductions-nature reserves/park (Rm)																	
Valuation reductions-mineral rights (Rm)																	
Valuation reductions-R15,000 threshold (Rm)																	
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)	2																

MP314 Emakhazeni - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2009/10	2010/11	2011/12	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework		
							Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Property rates *(rate in the Rand)*	1								
Residential properties			0.325	0.326	0.005700	0.0063	0.0068	0.0071	0.0074
Residential properties - vacant land			0.325	0.528	0.005700	0.0073	0.0079	0.0082	0.0087
Formal/informal settlements									
Small holdings									
Farm properties - used									
Farm properties - not used									
Industrial properties						0.1658	0.1791	0.1880	0.1974
Business and commercial properties			0.563	0.566	0.018240	0.0201	0.0217	0.0227	0.0239
Communal land - residential					0.001450	0.0063	0.0068	0.0071	0.0074
Communal land - small holdings					0.001450	0.001733	0.00187	0.00196	0.00206
Communal land - farm property							0.1924	0.202	0.212
Communal land - business and commercial									
Communal land - other									
State-owned properties									
Municipal properties			0.00	0.00	0.00	0.00			
Public service infrastructure					0.151000	0.1661	0.1844	0.193	0.203
Privately owned towns serviced by the					0.003840	0.0042	0.0045	0.0047	0.0049
State trust land									
Restitution and redistribution properties									
Protected areas									
National monuments properties									
Exemptions, reductions and rebates *(Rands)*									
Residential properties									
R15 000 threshhold rebate			15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate		(describe structure)							
Indigent rebate or exemption		0-6kl	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pensioners/social grants rebate or exemption		7-20kl	2.147	2.405	2.70	2.71			
Temporary relief rebate or exemption		21-30kl	3.063	3.413	3.823	0.4.300			
Bona fide farmers rebate or exemption		31-40kl	3.940	4.390	4.917	5.531			
Other rebates or exemptions	2	41-kl	5.628	6.303	7.091	7.941			
Water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*							67.27	70.63	74.17
Service point - vacant land *(Rands/month)*									
Water usage - flat rate tariff *(c/kl)*							5.55	5.82	6.12
Water usage - life line tariff									
Water usage - Block 1 (c/kl)		0-6kl	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water usage - Block 2 (c/kl)		7-20kl	2.147	2.405	2.70	2.71	3.31	3.48	3.65
Water usage - Block 3 (c/kl)		21-30kl	3.063	3.413	3.823	0.4.300	5.25	5.51	5.79
Water usage - Block 4 (c/kl)		31-40kl	3.940	4.390	4.917	5.531	6.76	7.10	7.45
Other	2	41-kl	5.628	6.303	7.091	7.941	8.66	9.10	9.55
Waste water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*							66.58	69.91	73.40
Service point - vacant land *(Rands/month)*									
Waste water - flat rate tariff *(c/kl)*									
Volumetric charge - Block 1 (c/kl)		(fill in structure)							
Volumetric charge - Block 2 (c/kl)		(fill in structure)							
Volumetric charge - Block 3 (c/kl)		(fill in structure)							
Volumetric charge - Block 4 (c/kl)		(fill in structure)							
Other	2								
Electricity tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*									
Service point - vacant land *(Rands/month)*									
FBE		(how is this targeted?)							
Life-line tariff - meter		(describe structure)							
Life-line tariff - prepaid		(describe structure)							
Flat rate tariff - meter *(c/kwh)*									
Flat rate tariff - prepaid*(c/kwh)*									
Meter - IBT Block 1 (c/kwh)		(0-50KwH)					0.89	0.93	0.98
Meter - IBT Block 2 (c/kwh)		(51-350KwH)					0.95	0.99	1.05
Meter - IBT Block 3 (c/kwh)		(351-600KwH)					1.18	1.23	1.30
Meter - IBT Block 4 (c/kwh)		(>600KwH)					1.39	1.45	1.52
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)						-	
Prepaid - IBT Block 1 (c/kwh)		(0-50KwH)					0.89	0.93	0.98
Prepaid - IBT Block 2 (c/kwh)		(51-350KwH)					0.95	0.99	1.05
Prepaid - IBT Block 3 (c/kwh)		(351-600KwH)					1.18	1.23	1.30
Prepaid - IBT Block 4 (c/kwh)		(>600KwH)					1.39	1.45	1.52
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)							
Other	2								
Waste management tariffs									
Domestic									
Street cleaning charge									
Basic charge/fixed fee							80.79	84.83	89.07
80l bin - once a week									
250l bin - once a week									

MP314 Emakhazeni - Supporting Table SA14 Household bills

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14 % incr.	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		32.62	36.54	40.00	44.00			8.0%	44.00	46.20	48.51
Electricity: Basic levy						122.45		7.0%	8.57	9.00	9.45
Electricity: Consumption						109.65		7.0%	7.68	8.06	8.46
Water: Basic levy		19.09	21.38	28.82	31.70			11.0%	31.70	33.29	34.95
Water: Consumption		–	5.00	5.00	5.00			11.0%	5.00	5.25	5.51
Sanitation		24.09	26.98	29.59	32.55			11.0%	32.55	34.18	35.89
Refuse removal		38.18	42.76	47.36	52.10			11.0%	52.10	54.71	57.44
Other										–	–
sub-total		**113.98**	**132.66**	**150.77**	**165.35**	**232.11**	**–**	**9.8%**	**181.60**	**190.68**	**200.21**
VAT on Services											
Total large household bill:		**113.98**	**132.66**	**150.77**	**165.35**	**232.11**	**–**	**9.8%**	**181.60**	**190.68**	**200.21**
% increase/-decrease			**16.4%**	**13.7%**	**9.7%**	**40.4%**	**(100.0%)**		**–**	**5.0%**	**5.0%**
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
VAT on Services											
Total small household bill:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
% increase/-decrease			**–**	**–**	**–**	**–**	**–**		**–**	**–**	**–**
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		113.53	126.15	141.75	157.50	157.50		8.0%	170.10	178.61	187.54
Electricity: Basic levy		126.72	140.80	158.21	175.66	175.66		7.0%	187.96	197.35	207.22
Electricity: Consumption		218.82	243.13	273.19	308.00	308.00		7.0%	329.56	346.04	363.34
Water: Basic levy		43.68	48.54	54.54	60.60	60.60		11.0%	67.27	70.63	74.16
Water: Consumption		20.02	22.25	25.00	28.00	28.00		11.0%	31.08	32.63	34.27
Sanitation		56.16	62.40	70.12	77.92	77.92		11.0%	86.49	90.82	95.36
Refuse removal		53.05	58.95	65.50	72.78	72.78		11.0%	80.79	84.83	89.07
Other									–	–	–
sub-total		**631.98**	**702.22**	**788.31**	**880.46**	**880.46**	**–**	**8.3%**	**953.24**	**1,000.90**	**1,050.95**
VAT on Services											
Total small household bill:		**631.98**	**702.22**	**788.31**	**880.46**	**880.46**	**–**	**8.3%**	**953.24**	**1,000.90**	**1,050.95**
% increase/-decrease			**11.1%**	**12.3%**	**11.7%**	**–**	**(100.0%)**		**–**	**5.0%**	**5.0%**

MP314 Emakhazeni - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank					21	21		2,798	2,938	3,085
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	–	–	–	**21**	**21**	–	**2,798**	**2,938**	**3,085**
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		–	–	–	–	–	–	–	–	–
Consolidated total:		–	–	–	**21**	**21**	–	**2,798**	**2,938**	**3,085**

MP314 Emakhazeni - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Monetary value	Interest to be realised
Name of institution & investment ID	1	Yrs/Months								Rand thousand	
Parent municipality											
FNB: Call Account		Daily/Monthly	Call Account	No			99219.2	Emakhazeni	Daily	4	
FNB: 32-day Account		32-Notice	32-day Account	No			35.14	Emakhazeni	32-days	2	
FNB: Call Account (MIG)		Daily/Monthly	Call Account	No			433.69	Emakhazeni	Daily	2,792	
Municipality sub-total										2,798	–
Entities											
Entities sub-total										–	–
TOTAL INVESTMENTS AND INTEREST	1									2,798	–

MP314 Emakhazeni - Supporting Table SA32 List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Telkom (11/11/2009)(Ext)	Yrs	3	diginet	10/11/2014	21500m
MPUMALANGA COPIERS1 (16/11	Yrs	3	rental of photocopy machine	30/11/2013	30,460

MP314 Emakhazeni - Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	–	–	**9,560**	**9,747**	–	**9,278**	**9,742**	**10,229**
Infrastructure - Road transport		–	–	–	2,710	3,198	–	2,846	2,988	3,137
Roads, Pavements & Bridges					2,560	3,021		2,688	2,822	2,964
Storm water				–	150	177		158	165	174
Infrastructure - Electricity		–	–	–	3,550	3,009	–	2,876	3,020	3,171
Generation					1,500	1,770		1,575	1,654	1,736
Transmission & Reticulation					2,050	1,239		1,301	1,366	1,434
Street Lighting										
Infrastructure - Water		–	–	–	2,000	2,360	–	2,478	2,602	2,732
Dams & Reservoirs										
Water purification					1,200	1,416		1,487	1,561	1,639
Reticulation					800	944		991	1,041	1,093
Infrastructure - Sanitation		–	–	–	1,300	1,180	–	1,079	1,133	1,190
Reticulation					1,300	1,180		1,079	1,133	1,190
Sewerage purification										
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Waste Management										
Transportation	2									
Gas										
Other	3									
Community		–	–	–	**550**	**649**	–	**681**	**716**	**751**
Parks & gardens					500	590		620	650	683
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities					50	59		62	65	68
Fire, safety & emergency					–					
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries		–	–							
Social rental housing	8									
Other										
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings										
Other	9									
Investment properties		–	–	–	–	–	–	–	–	–
Housing development										
Other										
Other assets		–	–	–	**7,472**	**7,966**	–	**7,269**	**7,737**	**8,233**
General vehicles					489	577		560	750	800
Specialised vehicles	10	–	–	–	5,819	6,015	–	6,091	6,250	6,642
Plant & equipment		–	–		639	754				
Computers - hardware/equipment					120	142		126	132	145
Furniture and other office equipment					40	47		42	44	46
Abattoirs					–					
Markets					–					
Civic Land and Buildings					–					
Other Buildings					–					
Other Land					–					
Surplus Assets - (Investment or Inventory)					–					
Other					365	431		450	560	600
Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		–	–	–	–	–	–	–	–	–
Computers - software & programming										
Other *(list sub-class)*										
Total Capital Expenditure on new assets	1	–	–	–	**17,582**	**18,362**	–	**17,229**	**18,195**	**19,213**

Specialised vehicles		–	–	–	**5,819**	**6,015**	–	**6,091**	**6,250**	**6,642**
Refuse					5,819	6,015		6,091	6,250	6,642
Fire										
Conservancy										
Ambulances				–						

MP314 Emakhazeni - Supporting Table SA34d Consolidated Depreciation by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Depreciation by Asset Class/Sub-class										
Infrastructure		–	–	**42,241**	**2,915**	**42,790**	–	**42,491**	**44,568**	**46,796**
Infrastructure - Road transport		–	–	30,908	2,255	31,163	–	32,549	34,229	35,940
Roads, Pavements & Bridges				30,908	2,255	31,163		32,549	34,229	35,940
Storm water				–						
Infrastructure - Electricity		–	–	3,069	424	2,875	–	3,933	4,029	4,231
Generation				–						
Transmission & Reticulation				2,720	25	2,875		3,448	3,520	3,696
Street Lighting				349	399			485	509	535
Infrastructure - Water		–	–	4,384	91	4,715	–	1,901	1,996	2,095
Dams & Reservoirs				–						
Water purification				1,537	91	1,868		1,901	1,996	2,095
Reticulation				2,846		2,846				
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Reticulation										
Sewerage purification										
Infrastructure - Other		–	–	3,880	145	4,037	–	4,109	4,314	4,530
Waste Management				3,731	145	3,886	–	3,955	4,152	4,360
Transportation	2			0						
Gas				–						
Other	3			148		151		154	162	170
Community		–	–	**1,132**	–	**1,455**	–	**1,562**	**1,697**	**1,782**
Parks & gardens				–						
Sportsfields & stadia				8		8		6	63	66
Swimming pools				–						
Community halls				80		82		75	79	83
Libraries				8		8				
Recreational facilities				–						
Fire, safety & emergency				–						
Security and policing				–						
Buses	7			–						
Clinics				–						
Museums & Art Galleries				–						
Cemeteries				–						
Social rental housing	8			641		954		846	888	933
Other				395		403		635	667	700
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings										
Other	9									
Investment properties		–	–	**57**	–	**60**	–	**90**	**94**	**99**
Housing development				57		60		90	94	99
Other										
Other assets		–	–	**4,410**	–	**4,496**	–	**5,623**	**5,904**	**6,199**
General vehicles				2,128		2,170		2,575	2,703	2,839
Specialised vehicles	10	–	–	223	–	225	–	267	281	295
Plant & equipment				7		7		6	6	7
Computers - hardware/equipment				320		327		386	405	425
Furniture and other office equipment				393		401		505	530	556
Abattoirs				–						
Markets				–						
Civic Land and Buildings				1,120		1,143		1,524	1,600	1,680
Other Buildings				–						
Other Land				–						
Surplus Assets - (Investment or Inventory)				–						
Other				219		223		361	379	398
Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		–	–	195	–	199	–	215	216	227
Computers - software & programming				195		199		215	216	227
Other *(list sub-class)*										
Total Depreciation	1	–	–	**48,037**	**2,915**	**49,000**	–	**49,980**	**52,479**	**55,103**

Specialised vehicles		–	–	**223**	–	**225**	–	**267**	**281**	**295**
Refuse				138		138		168	177	185
Fire				85		87		99	104	109
Conservancy				–				–		
Ambulances				–						

MP314 Emakhazeni - Supporting Table SA35 Consolidated future financial implications of the capital budget

Vote Description	Ref	2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure	1			
Vote 1 - EXECUTIVE & COUNCIL		16,532	17,463	18,445
Vote 2 - FINANCE & ADMIN		61	64	67
Vote 3 - PLANNING & DEVELOPMENT		–	–	–
Vote 4 - HEALTH		25	26	28
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	–
Vote 6 - PUBLIC SAFETY		71	75	79
Vote 7 - SPORT &RECREATION		–	–	–
Vote 8 - WASTE MANAGEMENT		15	16	17
Vote 9 - WASTE WATER MANAGEMENT		12	12	13
Vote 10 - ROAD TRANSPORT		25	26	28
Vote 11 - WATER		204	214	225
Vote 12 - ELECTRICITY		265	279	293
Vote 13 - OTHER		19	20	21
Vote 14 -		–	–	–
Vote 15 -		–	–	–
List entity summary if applicable				
Total Capital Expenditure		**17,229**	**18,195**	**19,213**
Future operational costs by vote	2			
Total future operational costs		–	–	–
Future revenue by source	3			
Total future revenue		–	–	–
Net Financial Implications		**17,229**	**18,195**	**19,213**

MP314 Emakhazeni - Supporting Table SA36 Consolidated detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4				6	3	3	5		Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal
Parent municipality:																
List all capital projects grouped by Municipal Vote																
006-305010		INTER CAP: FURNITURE & EQUIP			**Yes**	**Other**	**Fire services**	**Fire services**	0			5	5	6	emakhazeni	new
006-305517		FIRE HOSES AND BRANCHES			Yes	*Other*		**Fire services**	0			31	32	34	emakhazeni	new
006-		FURNISHING FIRE HOUSE			Yes	*Other*		**Fire services**	0			20	21	22	emakhazeni	new
006-		FIRE NOZZLES			Yes	*Other*		**Fire services**	0			16	17	17	emakhazeni	new
009-305020		INTERN CAP: MACHINERY & EQUIP			Yes			*Health*	0			25	26	28	emakhazeni	new
019-305010		INTERN CAP: FURNITURE & EQUIP			Yes			*Council & Gener*	0			10	11	11	emakhazeni	new
020-305023		STREET BINS			Yes			*Cleasing*	0			15	16	17	emakhazeni	new
021-305020		INTERN CAP: MACHINERY & EQUIP			Yes			*Sewerage Servic*	0			12	12	13	emakhazeni	new
023-305010		INTERN CAP: FURNITURE & EQUIP			Yes			*Corporate Servic*	0			20	21	22	emakhazeni	new
024-305012		INTERN CAP: COMPUTER EQUIPMENT			Yes			*Municipal manag*	0			200	210	221	emakhazeni	new
026-305010		INTERN CAP: FURNITURE & EQUIP			Yes			*Stores*	0			41	43	45	emakhazeni	new
030-305010		INTERN CAP : FURNITURE & EQUIP			Yes			*Traffic*	0			25	26	28	emakhazeni	new
035-305020		INTERN CAP: MACHINERY & EQUIP			Yes			*Workshop*	0			19	20	21	emakhazeni	new
040-305020		INTERN CAP: MACHINERY & EQUIP			Yes			*Electricity*	0			265	279	293	emakhazeni	new
045-305020		INTERN CAP: MACHINERY & EQUIP			Yes			*Water*	0			204	214	225	emakhazeni	new
Parent Capital expenditure	1											**907**	**953**	**1,000**		

MP314 Emakhazeni - Supporting Table SA37 Consolidated projects delayed from previous financial year/s

Municipal Vote/Capital project	Ref.	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1,2						Year	Original Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Parent municipality:												
List all capital projects grouped by Municipal Vote				*Examples*	*Examples*							
19305004		Completion of main bus route in Siyathuthuk	8/1/04/42/	*Infrastructure - Road transport*	*Roads, Pavements & Bridges*	*E: 29, 59, 21. S: 25, 40, 53*	2011	380	380	–	–	–
Entities:												
List all capital projects grouped by Municipal Entity												
Entity Name												
Project name												

2.15 Quality Certification of the Municipal Manager

Dear Sir/Madam

I Mrs. Thandi Shoba the Acting Municipal Manager of Emakhazeni Local Municipality, hereby certify that the annual budget and supporting documents have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the act, and that the annual budget and the supporting documents are consistent with the Integrated Development Plan (IDP) of the Municipality**.**

Name : **MRS T.J SHOBA**

MUNICIPAL MANAGER

Municipal Code : MP314

Signature: _____

Date: _____